To encourage effective teachers in the classrooms of the United States and innovative education programs in our Nation’s schools.

IN THE HOUSE OF REPRESENTATIVES

Mr. KLINE introduced the following bill; which was referred to the Committee on

A BILL

To encourage effective teachers in the classrooms of the United States and innovative education programs in our Nation’s schools.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Encouraging Innovation and Effective Teachers Act”.

SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Short title.
Sec. 2. Table of contents.
Sec. 3. References.
Sec. 4. Transition.
Sec. 5. Effective dates.
Sec. 6. Authorization of appropriations.

TITLE I—TEACHER PREPARATION AND EFFECTIVENESS

Sec. 101. Teacher preparation and effectiveness.
Sec. 102. Conforming repeals.

TITLE II—PARENTAL ENGAGEMENT AND LOCAL FLEXIBILITY

Sec. 201. Parental engagement and local flexibility.

TITLE III—IMPACT AID

Sec. 301. Purpose.
Sec. 302. Payments relating to Federal acquisition of real property.
Sec. 303. Payments for eligible federally connected children.
Sec. 304. Policies and procedures relating to children residing on Indian lands.
Sec. 305. Application for payments under sections 8002 and 8003.
Sec. 306. Construction.
Sec. 307. Facilities.
Sec. 308. State consideration of payments providing State aid.
Sec. 309. Federal administration.
Sec. 310. Administrative hearings and judicial review.
Sec. 311. Definitions.
Sec. 312. Authorization of appropriations.
Sec. 313. Conforming amendments.

TITLE IV—TROOPS-TO-TEACHERS PROGRAM

Sec. 401. Troops-to-teachers program.

TITLE V—REPEAL

Sec. 501. Repeal of title VI.

1 SEC. 3. REFERENCES.

2 Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.).

8 SEC. 4. TRANSITION.

9 Unless otherwise provided in this Act, any person or agency that was awarded a grant under the Elementary
and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.) prior to the date of the enactment of this Act shall continue to receive funds in accordance with the terms of such award, except that funds for such award may not continue more than one year after the date of the enactment of this Act.

SEC. 5. EFFECTIVE DATES.

(a) In General.—Except as otherwise provided in this Act, this Act, and the amendments made by this Act, shall be effective upon the date of enactment of this Act.

(b) Noncompetitive Programs.—With respect to noncompetitive programs under which any funds are allotted by the Secretary of Education to recipients on the basis of a formula, this Act, and the amendments made by this Act, shall take effect on July 1, 2012.

(c) Competitive Programs.—With respect to programs that are conducted by the Secretary on a competitive basis, this Act, and the amendments made by this Act, shall take effect with respect to appropriations for use under those programs for fiscal year 2013.

(d) Impact Aid.—With respect to title IV of the Act (20 U.S.C. 7701 et seq.) (Impact Aid), this Act, and the amendments made by this Act, shall take effect with respect to appropriations for use under that title for fiscal year 2013.
SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

The Act (20 U.S.C. 6301 et seq.) is amended by inserting after section 2 the following:

“SEC. 3. AUTHORIZATIONS OF APPROPRIATIONS.

“(a) Title II.—There are authorized to be appropriated to carry out title II $3,000,564,000 for fiscal year 2013.

“(b) Title III.—

“(1) Part A.—

“(A) Subpart 1.—There are authorized to be appropriated to carry out subpart 1 of part A of title III $300,000,000 for fiscal year 2013.

“(B) Subpart 2.—There are authorized to be appropriated to carry out subpart 2 of part A of title III $99,800,000 for fiscal year 2013.

“(C) Subpart 3.—There are authorized to be appropriated to carry out subpart 3 of part A of title III $25,000,000 for fiscal year 2013.

“(2) Part B.—There are authorized to be appropriated to carry out part B of title III $2,683,161,000 for fiscal year 2013.

“(c) Title IV.—

“(1) Payments for Federal Acquisition of Real Property.—For the purpose of making payments under section 4002, there are authorized to be appropriated $67,074,000 for fiscal year 2013.
“(2) Basic payments; payments for heavily impacted local educational agencies.—For the purpose of making payments under section 4003(b), there are authorized to be appropriated $1,155,724,000 for fiscal year 2013.

“(3) Payments for children with disabilities.—For the purpose of making payments under section 4003(d), there are authorized to be appropriated $48,505,000 for fiscal year 2013.

“(4) Construction.—For the purpose of carrying out section 4007, there are authorized to be appropriated $17,474,000 for fiscal year 2013.

“(5) Facilities maintenance.—For the purpose of carrying out section 4008, there are authorized to be appropriated $4,854,000 for fiscal year 2013.

“(d) Out Years.—The amounts authorized in subsections (a), (b), and (c) shall be increased for each of fiscal years 2014 through 2018 by a percentage equal to the percentage of inflation according to the Consumer Price Index, for the calendar year ending prior to the beginning of that fiscal year.”.
TITLE I—TEACHER PREPARATION AND EFFECTIVENESS

SEC. 101. TEACHER PREPARATION AND EFFECTIVENESS.

(a) In General.—Title II (20 U.S.C. 6601 et seq.) is amended to read as follows:

“TITLE II—TEACHER PREPARATION AND EFFECTIVENESS

“PART A—SUPPORTING EFFECTIVE INSTRUCTION

“SEC. 2101. PURPOSE.

“The purpose of this part is to provide grants to State educational agencies and subgrants to local educational agencies to—

“(1) increase student achievement consistent with State academic standards under section 1111;

“(2) improve teacher and school leader effectiveness;

“(3) provide evidence-based, continuous, job-embedded professional development; and

“(4) develop and implement teacher evaluation systems to link teacher performance with student achievement to determine teacher effectiveness.

“SUBPART 1—GRANTS TO STATES

“SEC. 2111. ALLOTMENTS TO STATES.

“(a) In General.—Of the amounts appropriated under section 3(a), the Secretary shall reserve 82 percent
to make grants to States with applications approved under
section 2112 to pay for the Federal share of the cost of
carrying out the activities specified in section 2113. Each
grant shall consist of the allotment determined for a State
under subsection (b).

“(b) DETERMINATION OF ALLOTMENTS.—

“(1) Reservation of funds.—Of the amount
reserved under subsection (a) for a fiscal year, the
Secretary shall reserve—

“(A) not more than 1 percent to carry out
national activities under section 2132;

“(B) one-half of 1 percent for allotments
for the United States Virgin Islands, Guam,
American Samoa, and the Commonwealth of
the Northern Mariana Islands, to be distributed
among those outlying areas on the basis of their
relative need, as determined by the Secretary,
in accordance with the purpose of this part; and

“(C) one-half of 1 percent for the Sec-
retary of the Interior for programs under this
part in schools operated or funded by the Bu-
reau of Indian Education.

“(2) State allotments.—

“(A) In general.—Subject to subpara-

section (a) for any fiscal year and not reserved
under paragraph (1), the Secretary shall allot
to each of the 50 States, the District of Colum-
bia, and the Commonwealth of Puerto Rico the
sum of—

“(i) an amount that bears the same
relationship to 50 percent of the funds as
the number of individuals age 5 through
17 in the State, as determined by the Sec-
retary on the basis of the most recent satisf-
sactory data, bears to the number of
those individuals in all such States, as so
determined; and

“(ii) an amount that bears the same
relationship to 50 percent of the funds as
the number of individuals age 5 through
17 from families with incomes below the
poverty line, in the State, as determined by
the Secretary on the basis of the most re-
cent satisfactory data, bears to the number
of those individuals in all such States, as
so determined.

“(B) Small State Minimum.—No State
receiving an allotment under subparagraph (A)
may receive less than one-half of 1 percent of
the total amount of funds allotted under such
subparagraph for a fiscal year.

“(c) ALTERNATE DISTRIBUTION OF FUNDS.—

“(1) IN GENERAL.—Subject to paragraphs (2)
through (5), if a State does not apply to the Sec-
retary for an allotment under this section, a local
educational agency located in such State may apply
to the Secretary for a portion of the funds that
would have been allotted to the State had such State
applied for an allotment under this section to carry
out the activities under this part.

“(2) APPLICATION.—In order to receive an al-
lotment under paragraph (1), a local educational
agency shall submit to the Secretary an application
at such time, in such manner, and containing the in-
formation described in section 2122.

“(3) USE OF FUNDS.—A local educational
agency receiving an allotment under paragraph
(1)—

“(A) shall use such funds to carry out the
activities described in section 2123(1); and

“(B) may use such funds to carry out the
activities described in section 2123(2).

“(4) REPORTING REQUIREMENTS.—A local edu-
cational agency receiving an allotment under para-
graph (1) shall carry out the reporting requirements described in section 2131(a), except that annual reports shall be submitted to the Secretary and not a State educational agency.

“(5) AMOUNT OF ALLOTMENT.—An allotment made to a local educational agency under paragraph (1) for a fiscal year shall be equal to the amount of subgrant funds that the local educational agency would have received under subpart 2 had such agency applied for a subgrant under such subpart for such fiscal year.

“(d) REALLOTMENT.—If a State does not apply for an allotment under this section for any fiscal year or only a portion of the State’s allotment is allotted under subsection (c), the Secretary shall reallocate the State’s entire allotment or the remaining portion of its allotment, as the case may be, to the remaining States in accordance with subsection (b).

“SEC. 2112. STATE APPLICATION.

“(a) IN GENERAL.—For a State to be eligible to receive a grant under this subpart, the State educational agency shall submit an application to the Secretary at such time and in such a manner as the Secretary may reasonably require, which shall include the following:
“(1) A description of how the State educational agency will meet the requirements of this subpart.

“(2) A description of how the State educational agency will use a grant received under section 2111, including the grant funds the State will reserve for State-level activities under section 2113(b).

“(3) A description of how the State educational agency will facilitate the sharing of evidence-based and other effective strategies among local educational agencies.

“(4) In the case of a State educational agency that is not developing or implementing a statewide teacher evaluation system, a description of how the State educational agency will ensure that each local educational agency in the State receiving a subgrant under subpart 2 will implement a teacher evaluation system that meets the requirements of clauses (i) through (v) of section 2123(1)(A).

“(5) In the case of a State educational agency that is developing or implementing a statewide teacher evaluation system, a description of how the State educational agency will work with local educational agencies in the State to implement the statewide evaluation system.
“(6) An assurance that the State educational agency will comply with section 5501 (regarding participation by private school children and teachers).

“(b) DEEMED APPROVAL.—An application submitted by a State educational agency under subsection (a) shall be deemed to be approved by the Secretary unless the Secretary makes a written determination, prior to the expiration of the 120-day period beginning on the date on which the Secretary received the application, that the application is not in compliance with this subpart.

“(c) DISAPPROVAL.—The Secretary shall not finally disapprove an application, except after giving the State educational agency notice and an opportunity for a hearing.

“(d) NOTIFICATION.—If the Secretary finds that an application is not in compliance, in whole or in part, with this subpart, the Secretary shall—

“(1) give the State educational agency notice and an opportunity for a hearing; and

“(2) notify the State educational agency of the finding of noncompliance and, in such notification, shall—

“(A) cite the specific provisions in the application that are not in compliance; and
“(B) request additional information, only
as to the noncompliant provisions, needed to
make the application compliant.

“(e) RESPONSE.—If a State educational agency re-
sponds to a notification from the Secretary under sub-
section (d)(2) during the 45-day period beginning on the
date on which the agency received the notification, and
resubmits the application with the requested information
described in subsection (d)(2)(B), the Secretary shall ap-
prove or disapprove such application prior to the later of—

“(1) the expiration of the 45-day period begin-
ing on the date on which the application is resub-
mitted; or

“(2) the expiration of the 120-day period de-
scribed in subsection (b).

“(f) FAILURE TO RESPOND.—If a State educational
agency does not respond to a notification from the Sec-
retary under subsection (d)(2) during the 45-day period
beginning on the date on which the agency received the
notification, such application shall be deemed to be dis-
approved.

“SEC. 2113. STATE USE OF FUNDS.

“(a) IN GENERAL.—A State educational agency that
receives a grant under section 2111 shall—
“(1) reserve 95 percent of the grant funds to make subgrants to local educational agencies under subpart 2; and

“(2) use the remainder of the funds, after reserving funds under paragraph (1) for the State activities described in subsection (b), except that the State may reserve not more than 1 percent of the grant funds for planning and administration related to carrying out activities described in subsection (b).

“(b) STATE-LEVEL ACTIVITIES.—A State educational agency that receives a grant under section 2111—

“(1) shall use the amount described in subsection (a)(1) to—

“(A) provide training and technical assistance to local educational agencies on—

“(i) in the case of a State educational agency not implementing a statewide teacher evaluation system—

“(I) the development and implementation of a teacher evaluation system that meets the requirements of clauses (i) through (v) of section 2123(1)(A); and

“(II) training school leaders in using such evaluation system; or
“(ii) in the case of a State educational agency implementing a statewide teacher evaluation system, implementing such evaluation system; and

“(B) fulfill the State educational agency’s responsibilities with respect to the proper and efficient administration of the subgrant program carried out under this part; and

“(2) may use the amount described in subsection (a)(1) to—

“(A) disseminate and share evidence-based and other effective practices related to teacher and school leader effectiveness and professional development; and

“(B) provide professional development for teachers and school leaders in the State consistent with clauses (i) through (v) of section 2123(2)(B).

“SUBPART 2—SUBGRANTS TO LOCAL EDUCATIONAL AGENCIES

“SEC. 2121. ALLOCATIONS TO LOCAL EDUCATIONAL AGENCIES.

“(a) IN GENERAL.—Each State receiving a grant under section 2111 shall use the funds reserved under sec-

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tion 2113(a)(1)(A) to award subgrants to local educational agencies under this section.

“(b) Allocation of Funds.—From the funds reserved by a State under section 2113(a)(1)(A), the State educational agency shall allocate to each local educational agency in the State the sum of—

“(1) an amount that bears the same relationship to 50 percent of the funds as the number of individuals age 5 through 17 in the geographic area served by the local educational agency, as determined by the State on the basis of the most recent satisfactory data, bears to the number of those individuals in the geographic areas served by all the local educational agencies in the State, as so determined; and

“(2) an amount that bears the same relationship to 50 percent of the funds as the number of individuals age 5 through 17 from families with incomes below the poverty line in the geographic area served by the local educational agency, as determined by the State on the basis of the most recent satisfactory data, bears to the number of those individuals in the geographic areas served by all the local educational agencies in the State, as so determined.
“SEC. 2122. LOCAL APPLICATIONS.

“To be eligible to receive a subgrant under this subpart, a local educational agency shall submit an application to the State educational agency involved at such time, in such a manner, and containing such information as the State educational agency may reasonably require that, at a minimum, shall include the following:

“(1) A description of—

“(A) how the local educational agency will meet the requirements of this subpart;

“(B) how the activities to be carried out by the local educational agency under this subpart will be evidence-based, improve student academic achievement, and improve teacher and school leader effectiveness;

“(C) how, in the case of a local educational agency not in a State with a statewide teacher evaluation system, the local educational agency will develop and implement a teacher evaluation system that meets the requirements described in clauses (i) through (v) of section 2123(1)(A);

“(D) how, in developing and implementing such a teacher evaluation system, the local educational agency will work with parents, teachers, school leaders, and other staff of the
schools served by the local educational agency;

and

“(E) the timeline for the development and implementation of such a teacher evaluation system.

“(2) In the case of a local educational agency in a State with a statewide teacher evaluation system, a description of how the local educational agency will work with the State educational agency to implement the statewide teacher evaluation system.

“(3) An assurance that the local educational agency will comply with section 5501 (regarding participation by private school children and teachers).

“SEC. 2123. LOCAL USE OF FUNDS.

“A local educational agency receiving a subgrant under this subpart—

“(1) shall use such funds—

“(A) to develop and implement a teacher evaluation system that—

“(i) uses student achievement data as a significant factor in determining a teacher’s evaluation;

“(ii) uses multiple measures of evaluation for evaluating teachers;
“(iii) has more than 2 categories for rating the performance of teachers;

“(iv) shall be used to make personnel decisions, as determined by the local educational agency; and

“(v) is based on input from parents, school leaders, teachers, and other staff of schools served by the local educational agency; or

“(B) in the case of a local educational agency located in a State that has adopted a statewide teacher evaluation system, to implement such system; and

“(2) may use such funds for—

“(A) the training of school leaders for the purpose of evaluating teachers under a teacher evaluation system described in subparagraph (A) or (B) of paragraph (1), as appropriate;

“(B) professional development for teachers and school leaders that is evidence-based, job-embedded, and continuous, such as—

“(i) subject-based professional development for teachers;

“(ii) professional development aligned with the State’s academic standards;
“(iii) professional development for teachers of student with disabilities and English learners;

“(iv) professional development for teachers identified as in need of additional support through data provided by a teacher evaluation system described in subparagraph (A) or (B) of paragraph (1), as appropriate; or

“(v) professional development for school leaders, including mentorship programs for such leaders;

“(C) partnering with a public or private organization or a consortium of such organizations to develop and implement a teacher evaluation system described in subparagraph (A) or (B) of paragraph (1), as appropriate; or

“(D) class size reduction, except that the local educational agency may not use more than 10 percent of such funds for this purpose.

“SUBPART 3—GENERAL PROVISIONS

“SEC. 2131. REPORTING REQUIREMENTS.

“(a) LOCAL EDUCATIONAL AGENCIES.—Each local educational agency receiving a subgrant under subpart 2 shall submit to the State educational agency involved, on
an annual basis until the last year in which the local educational agency receives such subgrant funds, a report on—

“(1) how the local educational agency is meeting the purposes of this part described in section 2101;

“(2) how the local educational agency uses such subgrant funds; and

“(3) the number and percentage of teachers in each category established under clause (iii) of section 2123(1)(A) by the teacher evaluation system implemented by the local educational agency under such section.

“(b) STATE EDUCATIONAL AGENCIES.—Each State educational agency receiving a grant under subpart 1 shall submit to the Secretary a report, on an annual basis until the last year in which the State educational agency receives such grant funds, on—

“(1) how the State is meeting the purposes of this part described in section 2101; and

“(2) how the State is using such grant funds.

“SEC. 2132. NATIONAL ACTIVITIES.

“From the funds reserved by the Secretary under section 2111(b)(1)(A), the Secretary shall, directly or through grants and contracts—
“(1) provide technical assistance to States and local educational agencies in carrying out activities under this part; and

“(2) acting through the Institute of Education Sciences, conduct national evaluations of activities carried out by State educational agencies and local educational agencies under this part.

“PART B—TEACHER AND SCHOOL LEADER FLEXIBLE GRANT

“SEC. 2201. PURPOSE.

“The purpose of this part is to improve student academic achievement in the core academic subjects by—

“(1) State educational agencies, local educational agencies, schools, teachers, and school leaders to ensure all students meet the State’s academic standards; and

“(2) increasing the number of teachers and school leaders who are effective in increasing student academic achievement.

“SUBPART 1—FORMULA GRANTS TO STATES

“SEC. 2211. STATE ALLOTMENTS.

“(a) RESERVATIONS.—From the amount appropriated under section 3(a) for any fiscal year, the Secretary—
“(1) shall reserve 18 percent to award grants to States under this subpart; and

“(2) of the amount reserved under paragraph (1), shall reserve—

“(A) not more than 1 percent for national activities described in section 2231;

“(B) one-half of 1 percent for allotments for the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands, to be distributed among those outlying areas on the basis of their relative need, as determined by the Secretary, in accordance with the purpose of this part; and

“(C) one-half of 1 percent for the Secretary of the Interior for programs under this part in schools operated or funded by the Bureau of Indian Education.

“(b) STATE ALLOTMENTS.—

“(1) IN GENERAL.—From the total amount reserved under subsection (a)(1) for each fiscal year and not reserved under subparagraphs (A) through (C) of subsection (a)(2), the Secretary shall allot, and make available in accordance with this section, to each State an amount that bears the same ratio to such sums as the school-age population of the
State bears to the school-age population of all States.

“(2) SMALL STATE MINIMUM.—No State receiving an allotment under paragraph (1) may receive less than one-half of 1 percent of the total amount allotted under such paragraph.

“(3) REALLOTMENT.—If a State does not receive an allotment under this subpart for a fiscal year, the Secretary shall reallocate the amount of the State’s allotment to the remaining States in accordance with this section.

“(c) STATE APPLICATION.—In order to receive an allotment under this section for any fiscal year, a State shall submit an application to the Secretary, at such time and in such manner as the Secretary may reasonably require. Such application shall—

“(1) designate the State educational agency as the agency responsible for the administration and supervision of programs assisted under this part;

“(2) describe how the State educational agency will use funds received under this section for State level activities described in subsection (d)(3);

“(3) describe the procedures and criteria the State educational agency will use for reviewing appli-
cations and awarding subgrants to eligible entities under section 2221 on a competitive basis;

“(4) describe how the State educational agency will ensure that subgrants made under section 2221 are of sufficient size and scope to support effective programs that will help increase academic achievement in the classroom and are consistent with the purpose of this part;

“(5) describe the steps the State educational agency will take to ensure that eligible entities use subgrant funds received under section 2221 to carry out programs that implement effective strategies, including by providing ongoing technical assistance and training, and disseminating evidence-based and other effective strategies to such eligible entities;

“(6) describe how programs under this part will be coordinated with other programs under this Act; and

“(7) include an assurance that, other than providing technical and advisory assistance and monitoring compliance with this part, the State educational agency has not exercised, and will not exercise, any influence in the decision-making processes of eligible entities as to the expenditure of funds
made pursuant to an application submitted under section 2221(b).

“(d) **STATE USE OF FUNDS.**—

“(1) **IN GENERAL.**—Each State that receives an allotment under this section shall reserve not less than 95 percent of the amount allotted to such State under subsection (b), for each fiscal year, for sub-
grants to eligible entities under subpart 2.

“(2) **STATE ADMINISTRATION.**—A State edu-
cational agency may reserve not more than 1 percent of the amount made available to the State under subsection (b) for the administrative costs of car-
rying out such State educational agency’s respon-
sibilities under this subpart.

“(3) **STATE-LEVEL ACTIVITIES.**—A State edu-
cational agency shall use the amount made available to the State under subsection (b) and not reserved under paragraphs (1) and (2) to carry out 1 or more of the following activities:

“(A) Reforming teacher and school leader certification, recertification, licensing, and ten-
ure systems to ensure that—

“(i) each teacher has the subject mat-
ter knowledge and teaching skills necessary
to help students meet the State’s academic standards; and

“(ii) school leaders have the instructional leadership skills to help teachers instruct and students learn.

“(B) Carrying out programs that establish, expand, or improve alternative routes for State certification or licensure of teachers and school leaders, including such programs for—

“(i) mid-career professionals from other occupations;

“(ii) former military personnel; and

“(iii) recent graduates of an institution of higher education, with a record of academic distinction, who demonstrate the potential to become effective teachers or school leaders.

“(C) Developing, or assisting eligible entities in developing—

“(i) performance-based pay systems for teachers and school leaders;

“(ii) strategies that provide differential, incentive, or bonus pay for teachers; or
“(iii) teacher advancement initiatives that promote professional growth and emphasize multiple career paths and pay differ-
entiation.

“(D) Developing, or assisting eligible enti-
ties in developing, new teacher and school leaders induction and mentoring programs that are designed to—

“(i) improve instruction and student learning and achievement; and

“(ii) increase the retention of effective teachers and school leaders.

“(E) Providing professional development for teachers and school leaders that is focused on—

“(i) improving teaching and student learning and achievement in the core academic subjects; and

“(ii) improving teaching, student learning, and achievement for students with disabilities, English learners, and other special populations.

“(F) Providing training and technical as-

sistance to eligible entities that receive a subgrant under section 2221.
“(G) Other activities identified by the State that meet the purpose of this part.

“SEC. 2212. APPROVAL AND DISAPPROVAL OF STATE APPLICATIONS.

“(a) DEEMED APPROVAL.—An application submitted by a State pursuant to section 2211(c) shall be deemed to be approved by the Secretary unless the Secretary makes a written determination, prior to the expiration of the 120-day period beginning on the date on which the Secretary received the application, that the application is not in compliance with section 2211(c).

“(b) DISAPPROVAL PROCESS.—

“(1) IN GENERAL.—The Secretary shall not finally disapprove an application submitted under section 2211(c), except after giving the State educational agency notice and an opportunity for a hearing.

“(2) NOTIFICATION.—If the Secretary finds that an application is not in compliance, in whole or in part, with section 2211(c) the Secretary shall—

“(A) give the State educational agency notice and an opportunity for a hearing; and

“(B) notify the State educational agency of the finding of noncompliance and, in such notification, shall—
“(i) cite the specific provisions in the application that are not in compliance; and

“(ii) request additional information, only as to the noncompliant provisions, needed to make the application compliant.

“(3) RESPONSE.—If a State educational agency responds to a notification from the Secretary under paragraph (2)(B) during the 45-day period beginning on the date on which the State educational agency received the notification, and resubmits the application with the requested information described in paragraph (2)(B)(ii), the Secretary shall approve or disapprove such application prior to the later of—

“(A) the expiration of the 45-day period beginning on the date on which the application is resubmitted; or

“(B) the expiration of the 120-day period described in subsection (a).

“(4) FAILURE TO RESPOND.—If the State educational agency does not respond to a notification from the Secretary under paragraph (2)(B) during the 45-day period beginning on the date on which the State educational agency received the notification, such application shall be deemed to be dis-approved.
“Subpart 2—Local Competitive Grant Program

“SEC. 2221. LOCAL COMPETITIVE GRANT PROGRAM.

“(a) In General.—A State that receives an allotment under section 2211(b) for a fiscal year shall use the amount reserved under section 2211(d)(1) to award subgrants, on a competitive basis, to eligible entities in accordance with this section to enable such entities to carry out the programs and activities described in section 2222.

“(b) Application.—

“(1) In General.—To be eligible to receive a subgrant under this section, an eligible entity shall submit an application to the State educational agency at such time, in such manner, and including such information as the State educational agency may reasonably require.

“(2) Contents.—Each application submitted under paragraph (1) shall include—

“(A) a description of the programs and activities to be funded and how they are consistent with the purpose of this part; and

“(B) an assurance that the eligible entity will comply with section 5501 (regarding participation by private school children and teachers).
“(c) **Peer Review.**—In reviewing applications under this section, a State educational agency shall use a peer review process or other methods of assuring the quality of such applications but the review shall only judge the likelihood of the activity to increase student academic achievement. The reviewers shall not make a determination based on the policy of the proposed activity.

“(d) **Geographic Diversity.**—A State educational agency shall distribute funds under this section equitably among geographic areas within the State, including rural, suburban, and urban communities.

“(e) **Duration of Awards.**—A State educational agency may award subgrants under this section for a period of not less than 3 years and not more than 5 years.

“(f) **Matching.**—An eligible entity receiving a subgrant under this section shall provide, either directly or through private contributions, non-Federal matching funds equal to not less than 10 percent of the amount of the subgrant.

**SEC. 2222. LOCAL AUTHORIZED ACTIVITIES.**

“(a) **In General.**—Each eligible entity receiving a subgrant under section 2221 shall use such subgrant funds to develop, implement, and evaluate comprehensive programs and activities, that are in accordance with the purpose of this part and—
“(1) are consistent with the principles of effectiveness described in subsection (b); and

“(2) may include, among other programs and activities—

“(A) developing and implementing initiatives to assist in recruiting, hiring, and retaining highly effective teachers and school leaders, including initiatives that provide—

“(i) differential, incentive, or bonus pay for teachers;

“(ii) performance-based pay systems for teachers and school leaders;

“(iii) teacher advancement initiatives that promote professional growth and emphasize multiple career paths and pay differentiation;

“(iv) new teacher and school leader induction and mentoring programs that are designed to improve instruction, student learning and achievement, and to increase teacher and school leader retention; and

“(v) teacher residency programs, and school leader residency programs, designed
to develop and support new teachers or new school leaders, respectively;

“(B) recruiting qualified individuals from other fields, including mid-career professionals from other occupations and former military personnel;

“(C) establishing, improving, or expanding model instructional programs in the core academic subjects to ensure that all children meet the State’s academic standards;

“(D) providing high-quality professional development for teachers and school leaders focused on improving teaching and student learning and achievement in the core academic subjects; and

“(E) other activities and programs identified as necessary by the local educational agency that meet the purpose of this part.

“(b) PRINCIPLES OF EFFECTIVENESS.—

“(1) IN GENERAL.—For a program or activity developed pursuant to this section to meet the principles of effectiveness, such program or activity shall—

“(A) be based upon an assessment of objective data regarding the need for programs
and activities in the elementary schools and secondary schools served to increase the number of teachers and school leaders who are effective in improving student academic achievement;

“(B) reflect evidence-based research, or in the absence of a strong research base, reflect effective strategies in the field, that provide evidence that the program or activity will improve student academic achievement in the core academic subjects; and

“(C) include meaningful and ongoing consultation with, and input from, teachers, school leaders, and parents, in the development of the application and administration of the program or activity.

“(2) PERIODIC EVALUATION.—

“(A) IN GENERAL.—The program or activity carried out by the eligible entity shall undergo a periodic evaluation by the State educational agency involved to assess the eligible entity’s progress toward achieving the purpose of this part.

“(B) USE OF RESULTS.—The results of evaluations described under subparagraph (A) shall be—
“(i) used to refine, improve, and strengthen the program or activity, and to refine the performance measures; and

“(ii) made available to the public upon request, with public notice of such availability provided.

“SUBPART 3—GENERAL PROVISIONS

“SEC. 2231. NATIONAL ACTIVITIES.

“From the funds reserved by the Secretary under section 2211(a)(1), the Secretary shall, directly or through grants and contracts—

“(1) provide technical assistance to States and eligible entities in carrying out activities under this part; and

“(2) acting through the Institute of Education Sciences, conduct national evaluations of activities carried out by States and eligible entities under this part.

“SEC. 2232. DEFINITIONS.

“In this part:

“(1) ELIGIBLE ENTITY.—The term ‘eligible entity’ means—

“(A) a local educational agency or consortium of local educational agencies;
“(B) a local educational agency in partnership with an institution of higher education;

“(C) a partnership consisting of—

“(i) a local educational agency; and

“(ii) a for-profit organization, a nonprofit organization, or a consortium of such organizations; or

“(D) a local educational agency in consortium with one or more of the following partners:

“(i) An institution of higher education.

“(ii) A for-profit organization.

“(iii) A nonprofit organization.

“(2) Teacher Residency Program.—The term ‘teacher residency program’ means a school-based teacher preparation program in which a prospective teacher—

“(A) for one academic year, teaches alongside an effective teacher, as determined by a teacher evaluation system implemented under part A, who is the teacher of record;

“(B) receives concurrent instruction during the year described in subparagraph (A) from the partner institution (as defined in section
200 of the Higher Education Act of 1965 (20
U.S.C. 1021), which courses may be taught by
local educational agency personnel or residency
program faculty, in the teaching of the content
area in which the teacher will become certified
or licensed; and
“(C) acquires effective teaching skills.

“PART C—TEACHER LIABILITY PROTECTION

“SEC. 2361. PURPOSE.

“ The purpose of this part is to provide teachers,
school leaders, and other school professionals the tools
they need to undertake reasonable actions to maintain
order, discipline, and an appropriate educational environ-
ment.

“SEC. 2362. APPLICABILITY.

“ This part shall only apply to States that receive
funds under this Act, and shall apply to such a State as
a condition of receiving such funds.

“SEC. 2363. PREEMPTION AND ELECTION OF STATE NON-
APPLICABILITY.

“(a) PREEMPTION.—This part preempts the laws of
any State to the extent that such laws are inconsistent
with this part, except that this part shall not preempt any
State law that provides additional protection from liability
relating to teachers.
“(b) **ELECTION OF STATE REGARDING NONAPPLICABILITY.**—This part shall not apply to any civil action in a State court against a teacher with respect to claims arising within that State if such State enacts a statute in accordance with State requirements for enacting legislation—

“(1) citing the authority of this subsection;

“(2) declaring the election of such State that this part shall not apply, as of a date certain, to such civil action in the State; and

“(3) containing no other provisions.

**SEC. 2364. LIMITATION ON LIABILITY FOR TEACHERS.**

“(a) **LIABILITY PROTECTION FOR TEACHERS.**—Except as provided in subsection (b), no teacher in a school shall be liable for harm caused by an act or omission of the teacher on behalf of the school if—

“(1) the teacher was acting within the scope of the teacher’s employment or responsibilities to a school or governmental entity;

“(2) the actions of the teacher were carried out in conformity with Federal, State, and local laws (including rules and regulations) in furtherance of efforts to control, discipline, expel, or suspend a student or maintain order or control in the classroom or school;
“(3) if appropriate or required, the teacher was properly licensed, certified, or authorized by the appropriate authorities for the activities or practice involved in the State in which the harm occurred, where the activities were or practice was undertaken within the scope of the teacher’s responsibilities;

“(4) the harm was not caused by willful or criminal misconduct, gross negligence, reckless misconduct, or a conscious, flagrant indifference to the rights or safety of the individual harmed by the teacher; and

“(5) the harm was not caused by the teacher operating a motor vehicle, vessel, aircraft, or other vehicle for which the State requires the operator or the owner of the vehicle, craft, or vessel to—

“(A) possess an operator’s license; or

“(B) maintain insurance.

“(b) Exceptions to Teacher Liability Protection.—If the laws of a State limit teacher liability subject to one or more of the following conditions, such conditions shall not be construed as inconsistent with this section:

“(1) A State law that requires a school or governmental entity to adhere to risk management procedures, including mandatory training of teachers.
“(2) A State law that makes the school or governmental entity liable for the acts or omissions of its teachers to the same extent as an employer is liable for the acts or omissions of its employees.

“(3) A State law that makes a limitation of liability inapplicable if the civil action was brought by an officer of a State or local government pursuant to State or local law.

“(e) Limitation on Punitive Damages Based on the Actions of Teachers.—

“(1) General rule.—Punitive damages may not be awarded against a teacher in an action brought for harm based on the act or omission of a teacher acting within the scope of the teacher’s employment or responsibilities to a school or governmental entity unless the claimant establishes by clear and convincing evidence that the harm was proximately caused by an act or omission of such teacher that constitutes willful or criminal misconduct, or a conscious, flagrant indifference to the rights or safety of the individual harmed.

“(2) Construction.—Paragraph (1) does not create a cause of action for punitive damages and does not preempt or supersede any Federal or State
law to the extent that such law would further limit
the award of punitive damages.

“(d) EXCEPTIONS TO LIMITATIONS ON LIABILITY.—

“(1) IN GENERAL.—The limitations on the li-
ability of a teacher under this part shall not apply
to any misconduct that—

“(A) constitutes a crime of violence (as
that term is defined in section 16 of title 18,
United States Code) or act of international ter-
rorism (as that term is defined in section 2331
of title 18, United States Code) for which the
defendant has been convicted in any court;

“(B) involves a sexual offense, as defined
by applicable State law, for which the defendant
has been convicted in any court;

“(C) involves misconduct for which the de-
fendant has been found to have violated a Fed-
eral or State civil rights law; or

“(D) where the defendant was under the
influence (as determined pursuant to applicable
State law) of intoxicating alcohol or any drug at
the time of the misconduct.

“(2) HIRING.—The limitations on the liability
of a teacher under this part shall not apply to mis-
conduct during background investigations, or during other actions, involved in the hiring of a teacher.

“(e) Rules of Construction.—

“(1) Concerning responsibility of teachers to schools and governmental entities.—Nothing in this part shall be construed to affect any civil action brought by any school or any governmental entity against any teacher of such school.

“(2) Concerning corporal punishment.—Nothing in this part shall be construed to affect any State or local law (including a rule or regulation) or policy pertaining to the use of corporal punishment.


“(a) General rule.—In any civil action against a teacher, based on an act or omission of a teacher acting within the scope of the teacher’s employment or responsibilities to a school or governmental entity, the liability of the teacher for noneconomic loss shall be determined in accordance with subsection (b).

“(b) Amount of liability.—

“(1) In general.—

“(A) Liability.—Each defendant who is a teacher shall be liable only for the amount of noneconomic loss allocated to that defendant in
direct proportion to the percentage of responsibility of that defendant (determined in accordance with paragraph (2)) for the harm to the claimant with respect to which that defendant is liable.

“(B) SEPARATE JUDGMENT.—The court shall render a separate judgment against each defendant in an amount determined pursuant to subparagraph (A).

“(2) PERCENTAGE OF RESPONSIBILITY.—For purposes of determining the amount of noneconomic loss allocated to a defendant who is a teacher under this section, the trier of fact shall determine the percentage of responsibility of each person responsible for the claimant’s harm, whether or not such person is a party to the action.

“(c) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to preempt or supersede any Federal or State law that further limits the application of joint liability in a civil action described in subsection (a), beyond the limitations established in this section.

“SEC. 2366. DEFINITIONS.

“ For purposes of this part:

“(1) ECONOMIC LOSS.—The term ‘economic loss’ means any pecuniary loss resulting from harm
(including the loss of earnings or other benefits related to employment, medical expense loss, replacement services loss, loss due to death, burial costs, and loss of business or employment opportunities) to the extent recovery for such loss is allowed under applicable State law.

“(2) HARM.—The term ‘harm’ includes physical, nonphysical, economic, and noneconomic losses.

“(3) NONECONOMIC LOSS.—The term ‘noneconomic loss’ means loss for physical or emotional pain, suffering, inconvenience, physical impairment, mental anguish, disfigurement, loss of enjoyment of life, loss of society or companionship, loss of consortium (other than loss of domestic service), hedonic damages, injury to reputation, or any other nonpecuniary loss of any kind or nature.

“(4) SCHOOL.—The term ‘school’ means a public or private kindergarten, a public or private elementary school or secondary school, or a home school.

“(5) STATE.—The term ‘State’ means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the District of the Virgin Islands.
Islands, any other territory or possession of the United States, or any political subdivision of any such State, territory, or possession.

“(6) **TEACHER.**—The term ‘teacher’ means—

“(A) a teacher, instructor, school leader, or administrator;

“(B) another educational professional who works in a school;

“(C) a professional or nonprofessional employee who—

“(i) works in a school; and

“(ii)(I) in the employee’s job, maintains discipline or ensures safety; or

“(II) in an emergency, is called on to maintain discipline or ensure safety; or

“(D) an individual member of a school board (as distinct from the board).

**PART D—GENERAL PROVISIONS**

**SEC. 2401. INCLUSION OF CHARTER SCHOOLS.**

“In this title, the term ‘local educational agency’ includes a charter school (as defined in section 5101) that, in the absence of this section, would not have received funds under this title.
“SEC. 2402. PARENTS’ RIGHT TO KNOW.

“At the beginning of each school year, a local educational agency that receives funds under this title shall notify the parents of each student attending any school receiving funds under this title that the parents may request, and the agency will provide the parents on request (and in a timely manner), information regarding the results, as they become available, of the evaluations of the student’s classroom teachers conducted under the teacher evaluation system developed and implemented by the local educational agency under part A.

“SEC. 2403. SUPPLEMENT, NOT SUPPLANT.

“Funds received under this title shall be used to supplement, and not supplant, non-Federal funds that would otherwise be used for activities authorized under this title.

“SEC. 2404. PROHIBITION AGAINST FEDERAL MANDATES, DIRECTION, OR CONTROL.

“Nothing in this title shall be construed to authorize the Secretary or any other officer or employee of the Federal Government to mandate, direct, control, support, or exercise any direction or supervision over a State, local educational agency, or school’s instructional content or materials, curriculum, program of instruction, academic standards, academic assessments, or the development or implementation of a teacher evaluation system.”.
SEC. 102. CONFORMING REPEALS.

(a) Conforming Repeals.—Title II of the Higher Education Act of 1965 (20 U.S.C. 1021 et seq.) is amended—

(1) by repealing sections 201 through 204; and

(2) by repealing part B.

(b) Effective Date.—The amendments and repeals made in subsection (a) shall take effect October 1, 2012.

TITLE II—PARENTAL ENGAGEMENT AND LOCAL FLEXIBILITY

SEC. 201. PARENTAL ENGAGEMENT AND LOCAL FLEXIBILITY.

Title III (20 U.S.C. 6801 et seq.) is amended to read as follows:

“TITLE III—PARENTAL ENGAGEMENT AND LOCAL FLEXIBILITY

“PART A—PARENTAL ENGAGEMENT

“SUBPART 1—CHARTER SCHOOL PROGRAM

“SEC. 3101. SENSE OF THE HOUSE OF REPRESENTATIVES.

“It is the sense of the House of Representatives that the programs for public charter schools under part B of title V be reauthorized as such part was amended under the provisions of H.R. 2218, as passed by the House of
Representatives on September 13, 2011, and be transferred and redesignated to this subpart.

"SUBPART 2—MAGNET SCHOOL ASSISTANCE

"SEC. 3021. PURPOSE.

"The purpose of this subpart is to assist in the desegregation of schools served by local educational agencies by providing financial assistance to eligible local educational agencies for—

"(1) the elimination, reduction, or prevention of minority group isolation in elementary schools and secondary schools with substantial proportions of minority students, which shall include assisting in the efforts of the United States to achieve voluntary desegregation in public schools;

"(2) the development and implementation of magnet school programs that will assist local educational agencies in achieving systemic reforms and providing all students the opportunity to meet State academic standards;

"(3) the development and design of innovative educational methods and practices that promote diversity and increase choices in public elementary schools and public secondary schools and public educational programs;
“(4) courses of instruction within magnet schools that will substantially strengthen the knowledge of academic subjects and the attainment of tangible and marketable career, technical, and professional skills of students attending such schools;

“(5) improving the ability of local educational agencies, including through professional development, to continue operating magnet schools at a high performance level after Federal funding for the magnet schools is terminated; and

“(6) ensuring that students enrolled in the magnet school programs have equitable access to a quality education that will enable the students to succeed academically and continue with postsecondary education employment.

“SEC. 3022. DEFINITION.

“For the purpose of this subpart, the term ‘magnet school’ means a public elementary school, public secondary school, public elementary education center, or public secondary education center that offers a special curriculum capable of attracting substantial numbers of students of different racial backgrounds.

“SEC. 3023. PROGRAM AUTHORIZED.

“For the amount appropriated under section 3(b)(1)(B), the Secretary, in accordance with this subpart,
is authorized to award grants to eligible local educational agencies, and consortia of such agencies where appropriate, to carry out the purpose of this subpart for magnet schools that are—

“(1) part of an approved desegregation plan; and

“(2) designed to bring students from different social, economic, ethnic, and racial backgrounds together.

SEC. 3024. ELIGIBILITY.

“A local educational agency, or consortium of such agencies where appropriate, is eligible to receive a grant under this subpart to carry out the purpose of this subpart if such agency or consortium—

“(1) is implementing a plan undertaken pursuant to a final order issued by a court of the United States, or a court of any State, or any other State agency or official of competent jurisdiction, that requires the desegregation of minority-group-segregated children or faculty in the elementary schools and secondary schools of such agency; or

“(2) without having been required to do so, has adopted and is implementing, or will, if a grant is awarded to such local educational agency, or consortium of such agencies, under this subpart, adopt and
implement a plan that has been approved by the Secretary as adequate under title VI of the Civil Rights Act of 1964 for the desegregation of minority-group-segregated children or faculty in such schools.

“SEC. 3025. APPLICATIONS AND REQUIREMENTS.

“(a) APPLICATIONS.—An eligible local educational agency, or consortium of such agencies, desiring to receive a grant under this subpart shall submit an application to the Secretary at such time and in such manner as the Secretary may reasonably require.

“(b) INFORMATION AND ASSURANCES.—Each application submitted under subsection (a) shall include—

“(1) a description of—

“(A) how a grant awarded under this subpart will be used to promote desegregation, including how the proposed magnet school programs will increase interaction among students of different social, economic, ethnic, and racial backgrounds;

“(B) the manner and extent to which the magnet school program will increase student academic achievement in the instructional area or areas offered by the school;
“(C) how the applicant will continue the magnet school program after assistance under this subpart is no longer available, and, if applicable, an explanation of why magnet schools established or supported by the applicant with grant funds under this subpart cannot be continued without the use of grant funds under this subpart;

“(D) how grant funds under this subpart will be used—

“(i) to improve student academic achievement for all students attending the magnet school programs; and

“(ii) to implement services and activities that are consistent with other programs under this Act, and other Acts, as appropriate; and

“(E) the criteria to be used in selecting students to attend the proposed magnet school program; and

“(2) assurances that the applicant will—

“(A) use grant funds under this subpart for the purposes specified in section 3021;
“(B) employ effective teachers in the courses of instruction assisted under this sub-
part;

“(C) not engage in discrimination based on race, religion, color, national origin, sex, or dis-
ability in—

“(i) the hiring, promotion, or assign-
ment of employees of the applicant or other personnel for whom the applicant has any administrative responsibility;

“(ii) the assignment of students to schools, or to courses of instruction within the schools, of such applicant, except to carry out the approved plan; and

“(iii) designing or operating extra-
curricular activities for students;

“(D) carry out a quality education pro-
gram that will encourage greater parental deci-
sionmaking and involvement; and

“(E) give students residing in the local at-
tendance area of the proposed magnet school program equitable consideration for placement in the program, consistent with desegregation guidelines and the capacity of the applicant to accommodate the students.
“(c) SPECIAL RULE.—No grant shall be awarded under this subpart unless the Assistant Secretary of Education for Civil Rights determines that the assurances described in subsection (b)(2)(C) will be met.

“SEC. 3026. PRIORITY.

“In awarding grants under this subpart, the Secretary shall give priority to applicants that—

“(1) demonstrate the greatest need for assistance, based on the expense or difficulty of effectively carrying out approved desegregation plans and the magnet school program for which the grant is sought;

“(2) propose to carry out new magnet school programs, or significantly revise existing magnet school programs; and

“(3) propose to select students to attend magnet school programs by methods such as lottery, rather than through academic examination.

“SEC. 3027. USE OF FUNDS.

“(a) IN GENERAL.—Grant funds made available under this subpart may be used by an eligible local educational agency, or consortium of such agencies—

“(1) for planning and promotional activities directly related to the development, expansion, con-
tinuation, or enhancement of academic programs and services offered at magnet schools;

“(2) for the acquisition of books, materials, and equipment, including computers and the maintenance and operation of materials, equipment, and computers, necessary to conduct programs in magnet schools;

“(3) for the compensation, or subsidization of the compensation, of elementary school and secondary school teachers, and instructional staff where applicable, who are necessary to conduct programs in magnet schools;

“(4) with respect to a magnet school program offered to less than the entire student population of a school, for instructional activities that—

“(A) are designed to make available the special curriculum that is offered by the magnet school program to students who are enrolled in the school but who are not enrolled in the magnet school program; and

“(B) further the purpose of this subpart;

“(5) for activities, which may include professional development, that will build the recipient’s capacity to operate magnet school programs once the grant period has ended;
“(6) to enable the local educational agency, or consortium of such agencies, to have more flexibility in the administration of a magnet school program in order to serve students attending a school who are not enrolled in a magnet school program; and

“(7) to enable the local educational agency, or consortium of such agencies, to have flexibility in designing magnet schools for students in all grades.

“(b) Special Rule.—Grant funds under this subpart may be used for activities described in paragraphs (2) and (3) of subsection (a) only if the activities are directly related to improving student academic achievement based on the State’s academic standards or directly related to improving student reading skills or knowledge of mathematics, science, history, geography, English, foreign languages, art, or music, or to improving career, technical, and professional skills.

“SEC. 3028. PROHIBITION.

“Grants under this subpart shall not be used for construction, transportation, or any activity that does not augment academic improvement.

“SEC. 3029. LIMITATIONS.

“(a) Duration of Awards.—A grant under this subpart shall be awarded for a period that shall not exceed 3 fiscal years.
“(b) LIMITATION ON PLANNING FUNDS.—A local educational agency, or consortium of such agencies, may expend for planning (professional development shall not be considered to be planning for purposes of this subsection) not more than 50 percent of the grant funds received under this subpart for the first year of the program and not more than 15 percent of such funds for each of the second and third such years.

“(c) AMOUNT.—No local educational agency, or consortium of such agencies, awarded a grant under this subpart shall receive more than $4,000,000 under this subpart for any 1 fiscal year.

“(d) TIMING.—To the extent practicable, the Secretary shall award grants for any fiscal year under this subpart not later than July 1 of the applicable fiscal year.

“SEC. 3030. EVALUATIONS.

“(a) RESERVATION.—The Secretary may reserve not more than 2 percent of the funds appropriated under section 3031(a) for any fiscal year to carry out evaluations, provide technical assistance, and carry out dissemination projects with respect to magnet school programs assisted under this subpart.

“(b) CONTENTS.—Each evaluation described in subsection (a), at a minimum, shall address—
“(1) how and the extent to which magnet school programs lead to educational quality and academic improvement;

“(2) the extent to which magnet school programs enhance student access to a quality education;

“(3) the extent to which magnet school programs lead to the elimination, reduction, or prevention of minority group isolation in elementary schools and secondary schools with substantial proportions of minority students; and

“(4) the extent to which magnet school programs differ from other school programs in terms of the organizational characteristics and resource allocations of such magnet school programs.

“(c) DISSEMINATION.—The Secretary shall collect and disseminate to the general public information on successful magnet school programs.

“SEC. 3031. RESERVATION.

“In any fiscal year for which the amount appropriated under section 3(b)(1)(B) exceeds $75,000,000, the Secretary shall give priority in using such amounts in excess of $75,000,000 to awarding grants to local educational agencies or consortia of such agencies that did not receive a grant under this subpart in the preceding fiscal year.
“SUBPART 3—FAMILY ENGAGEMENT IN EDUCATION

Programs

“SEC. 3131. PURPOSES.

“The purposes of this subpart are the following:

“(1) To provide financial support to organizations to provide technical assistance and training to State and local educational agencies in the implementation and enhancement of systemic and effective family engagement policies, programs, and activities that lead to improvements in student development and academic achievement.

“(2) To assist State educational agencies, local educational agencies, and community-based organizations in strengthening partnerships among parents, teachers, school leaders, administrators, and other school personnel in meeting the educational needs of children.

“(3) To support State educational agencies and local educational agencies in developing and strengthening the relationship between parents and their children’s school in order to further the developmental progress of children.

“(4) To coordinate activities funded under this subpart with parent involvement initiatives funded under section 1118 and other provisions of this Act.
“(5) To assist the Secretary, State educational agencies, and local educational agencies in the coordination and integration of Federal, State, and local services and programs to engage families in education.

SEC. 3132. GRANTS AUTHORIZED.

“(a) Statewide Family Engagement Centers.—From the amount appropriated under section 3(b)(1)(C), the Secretary is authorized to award grants for each fiscal year to statewide organizations (and consortia of such organizations and State educational agencies), to establish Statewide Family Engagement Centers that provide comprehensive training and technical assistance to State educational agencies, local educational agencies, schools identified by State educational agencies and local educational agencies, organizations that support family-school partnerships, and other organizations that carry out parent education and family engagement in education programs.

“(b) Geographic Distribution.—In awarding grants under this section, the Secretary shall, to the extent practicable, ensure that a grant is—

“(1) awarded for a Statewide Family Engagement Center in each State and outlying area; and

“(2) in an amount of not less than $500,000.
“SEC. 3133. APPLICATIONS.

“(a) SUBMISSIONS.—Each statewide organization, or a consortium of such an organization and a State educational agency, that desires a grant under this subpart shall submit an application to the Secretary at such time, in such manner, and including the information described in subsection (b).

“(b) CONTENTS.—Each application submitted under subsection (a) shall include, at a minimum, the following:

“(1) A description of the applicant’s approach to family engagement in education.

“(2) A description of the support that the Statewide Family Engagement Center that will be operated by the applicant will have from the applicant, including a letter from the applicant outlining the commitment to work with the center.

“(3) A description of the applicant’s plan for building a statewide infrastructure for family engagement in education, that includes—

“(A) management and governance;

“(B) statewide leadership; or

“(C) systemic services for family engagement in education.

“(4) A description of the applicant’s experience in providing training, information, and support to State educational agencies, local educational agen-
cies, schools, and organizations on family engagement in education policies and practices that are effective for parents (including low-income parents) and families, English learners, minorities, parents of students with disabilities, parents of homeless students, foster parents and students, and parents of migratory students.

“(5) An assurance that the applicant will—

“(A) establish a special advisory committee, the membership of which includes—

“(i) parents of children from birth through young adulthood, who shall constitute a majority of the members of the special advisory committee;

“(ii) representatives of education professionals with expertise in improving services for disadvantaged children;

“(iii) representatives of local elementary schools and secondary schools, including students;

“(iv) representatives of the business community; and

“(v) representatives of State educational agencies and local educational agencies;
“(B) use not less than 65 percent of the funds received under this subpart in each fiscal year to serve local educational agencies, schools, and community-based organizations that serve high concentrations of disadvantaged students, including English learners, minorities, parents of students with disabilities, parents of homeless students, foster parents and students, and parents of migratory students;

“(C) operate a Statewide Family Engagement Center of sufficient size, scope, and quality to ensure that the Center is adequate to serve the State educational agencies, local educational agencies, and community-based organizations;

“(D) ensure that the Center will retain staff with the requisite training and experience to serve parents in the State;

“(E) serve urban, suburban, and rural local educational agencies and schools;

“(F) work with—

“(i) other Statewide Family Engagement Centers assisted under this subpart; and
“(ii) parent training and information centers and community parent resource centers assisted under sections 671 and 672 of the Individuals with Disabilities Education Act;

“(G) use not less than 30 percent of the funds received under this subpart for each fiscal year to establish or expand technical assistance for evidence-based parent education programs, including early childhood education programs;

“(H) provide assistance to State educational agencies and local educational agencies and community-based organizations that support family members in supporting student academic achievement;

“(I) work with State educational agencies, local educational agencies, and schools to determine parental needs and the best means for delivery of services to address such needs; and

“(J) conduct sufficient outreach to assist parents, including parents who the applicant may have a difficult time engaging with a school or local educational agency.
“SEC. 3134. USES OF FUNDS.

“(a) In general.—Grantees shall use grant funds received under this subpart to provide training and technical assistance to State educational agencies, local educational agencies, and organizations that support family-school partnerships, to enable those agencies and organizations—

“(1) to assist parents in participating effectively in their children’s education and to help their children meet State standards, such as assisting parents—

“(A) to engage in activities that will improve student academic achievement, including understanding how they can support learning in the classroom with activities at home and in afterschool and extracurricular programs;

“(B) to communicate effectively with their children, teachers, school leaders, counselors, administrators, and other school personnel;

“(C) to become active participants in the development, implementation, and review of school-parent compacts, family engagement in education policies, and school planning and improvement;
“(D) to participate in the design and provision of assistance to students who are not making academic progress;

“(E) to participate in State and local decisionmaking;

“(F) to train other parents; and

“(G) to help the parents learn and use technology applied in their children’s education;

“(2) to develop and implement, in partnership with the State educational agency, statewide family engagement in education policy and systemic initiatives that will provide for a continuum of services to remove barriers for family engagement in education and support school reform efforts; and

“(3) to develop, implement, and assess parental involvement policies under sections 1112 and 1118.

“(b) Matching Funds for Grant Renewal.—For each fiscal year after the first fiscal year for which an organization or consortium receives assistance under this section, the organization or consortium shall demonstrate in the application that a portion of the services provided by the organization or consortium is supported through non-Federal contributions, which may be in cash or in-kind.
“(c) TECHNICAL ASSISTANCE.—The Secretary shall reserve not more than 2 percent of the funds appropriated under section 3(b)(C) to carry out this subpart to provide technical assistance, by grant or contract, for the establishment, development, and coordination of Statewide Family Engagement Centers.

“(d) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to prohibit a Statewide Family Engagement Center from—

“(1) having its employees or agents meet with a parent at a site that is not on school grounds; or

“(2) working with another agency that serves children.

“(e) PARENTAL RIGHTS.—Notwithstanding any other provision of this section—

“(1) no person (including a parent who educates a child at home, a public school parent, or a private school parent) shall be required to participate in any program of parent education or developmental screening under this section; and

“(2) no program or center assisted under this section shall take any action that infringes in any manner on the right of a parent to direct the education of their children.
"SEC. 3135. FAMILY ENGAGEMENT IN INDIAN SCHOOLS.

"The Secretary of the Interior, in consultation with the Secretary of Education, shall establish, or enter into contracts and cooperative agreements with local Indian nonprofit parent organizations to establish and operate Family Engagement Centers.

"PART B—LOCAL ACADEMIC FLEXIBLE GRANT

"SEC. 3201. PURPOSE.

"The purpose of this part is to provide local educational agencies with the opportunity to access funds to support the initiatives important to their schools and students to improve academic achievement.

"SEC. 3202. ALLOTMENTS TO STATES.

"(a) Reservations.—From the funds appropriated under section 3(b)(2) for any fiscal year, the Secretary shall reserve—

"(1) not more than 1 percent for national activities to provide technical assistance to eligible entities in carrying out programs under this part; and

"(2) not more than 1 percent for payments to the outlying areas and the Bureau of Indian Education, to be allotted in accordance with their respective needs for assistance under this part, as determined by the Secretary, to enable the outlying areas and the Bureau to carry out the purpose of this part.
“(b) STATE ALLOTMENTS.—

“(1) DETERMINATION.—From the funds appropriated under section 3(b)(2) for any fiscal year and remaining after the Secretary makes reservations under subsection (a), the Secretary shall allot to each State for the fiscal year an amount that bears the same relationship to the remainder as the amount the State received under chapter B of subpart 1 of part A of title I for the preceding fiscal year bears to the amount all States received under that chapter for the preceding fiscal year, except that no State shall receive less than an amount equal to one-half of 1 percent of the total amount made available to all States under this subsection.

“(2) REALLOTMENT OF UNUSED FUNDS.—If a State does not receive an allotment under this part for a fiscal year, the Secretary shall reallocate the amount of the State’s allotment to the remaining States in accordance with this section.

“(c) STATE USE OF FUNDS.—

“(1) IN GENERAL.—Each State that receives an allotment under this part shall reserve not less than 85 percent of the amount allotted to such State under subsection (b) for each fiscal year for awards to eligible entities under section 3204.
“(2) AWARDS TO NONGOVERNMENTAL ENTITIES TO IMPROVE STUDENT ACADEMIC ACHIEVEMENT.—Each State that receives an allotment under this part for a fiscal year shall reserve not less than 10 percent of the amount allotted for awards under section 3205.

“(3) STATE ACTIVITIES AND STATE ADMINISTRATION.—A State educational agency may use not more than 5 percent of the amount made available to the State under subsection (b) for the following:

“(A) The administrative costs of carrying out its responsibilities under this part, except that not more than 1 percent of the amount may be used for this purpose.

“(B) Monitoring and evaluation of programs and activities assisted under this part.

“(C) Providing training and technical assistance under this part.

“(D) Statewide academic focused programs.

“(E) Sharing evidence-based and effective strategies with eligible entities.

“SEC. 3203. STATE APPLICATION.

“(a) IN GENERAL.—In order to receive an allotment under section 3202 for any fiscal year, a State shall sub-
mit to the Secretary, at such time as the Secretary may require, an application that—

“(1) designates the State educational agency as the agency responsible for the administration and supervision of programs assisted under this part;

“(2) describes how the State educational agency will use funds received under this part, including funds reserved for State-level activities;

“(3) describes the procedures and criteria the State educational agency will use for reviewing applications and awarding funds to eligible entities on a competitive basis, which shall include reviewing how the proposed project will help increase student academic achievement;

“(4) describes how the State educational agency will ensure that awards made under this part are—

“(A) of sufficient size and scope to support high-quality, effective programs that are consistent with the purpose of this part; and

“(B) in amounts that are consistent with section 3204(f);

“(5) describes the steps the State educational agency will take to ensure that programs implement effective strategies, including providing ongoing
technical assistance and training, and dissemination
of evidence-based and other effective strategies;

“(6) an assurance that, other than providing
technical and advisory assistance and monitoring
compliance with this part, the State educational
agency has not exercised and will not exercise any
influence in the decision-making process of eligible
entities as to the expenditure of funds received by
the eligible entities under this part;

“(7) describes how programs under this part
will be coordinated with programs under this Act,
and other programs as appropriate;

“(8) contains an assurance that the State edu-
cational agency—

“(A) will make awards for programs for a
period of not less than 3 years and not more
than 5 years; and

“(B) will require each eligible entity seek-
ing such an award to submit a plan describing
how the project to be funded through the award
will continue after funding under this part
ends, if applicable; and

“(9) contains an assurance that funds appro-
priated to carry out this part will be used to supple-
ment, and not supplant, other Federal, State, and
local public funds expended to provide programs and activities authorized under this part and other similar programs.

“(b) DEEMED APPROVAL.—An application submitted by a State educational agency pursuant to subsection (a) shall be deemed to be approved by the Secretary unless the Secretary makes a written determination, prior to the expiration of the 120-day period beginning on the date on which the Secretary received the application, that the application is not in compliance with this part.

“(c) DISAPPROVAL.—The Secretary shall not finally disapprove the application, except after giving the State educational agency notice and an opportunity for a hearing.

“(d) NOTIFICATION.—If the Secretary finds that the application is not in compliance, in whole or in part, with this part, the Secretary shall—

“(1) give the State educational agency notice and an opportunity for a hearing; and

“(2) notify the State educational agency of the finding of noncompliance, and, in such notification, shall—

“(A) cite the specific provisions in the application that are not in compliance; and
“(B) request additional information, only as to the noncompliant provisions, needed to make the application compliant.

“(e) RESPONSE.—If the State educational agency responds to the Secretary’s notification described in subsection (d)(2) during the 45-day period beginning on the date on which the agency received the notification, and resubmits the application with the requested information described in subsection (d)(2)(B), the Secretary shall approve or disapprove such application prior to the later of—

“(1) the expiration of the 45-day period beginning on the date on which the application is resubmitted; or

“(2) the expiration of the 120-day period described in subsection (b).

“(f) FAILURE TO RESPOND.—If the State educational agency does not respond to the Secretary’s notification described in subsection (d)(2) during the 45-day period beginning on the date on which the agency received the notification, such application shall be deemed to be disapproved.

“(g) RULE OF CONSTRUCTION.—An application submitted by a State educational agency pursuant to subsection (a) shall not be approved or disapproved based upon the activities for which the agency may make funds
available to eligible entities under section 3204 if the agency’s use of funds is consistent with section 3204(b).

"SEC. 3204. LOCAL COMPETITIVE GRANT PROGRAM."

"(a) In general.—A State that receives funds under this part for a fiscal year shall provide the amount made available under section 3202(e)(1) to eligible entities in accordance with this section.

"(b) Use of funds.—

"(1) In general.—An eligible entity that receives an award under this part shall use the funds for activities that—

"(A) are evidence-based;

"(B) will improve student academic achievement;

"(C) are allowable under State law; and

"(D) focus on one or more projects from the following two categories:

"(i) Supplemental student support activities, such as after-school activities, tutoring, and extended day, but not including athletics or in-school learning activities.

"(ii) Classroom support activities, such as academic subject specific programs, adjunct teacher programs, and parent engagement, but not including activi-
ties to support smaller class sizes, con-
struction, or to provide compensation or
benefits to teachers, school leaders, or
other school officials.

“(2) Participation of children enrolled
in private schools.—An eligible entity that re-
ceives an award under this part shall ensure compli-
ance with section 5501 (relating to participation of
children enrolled in private schools.

“(c) Application.—

“(1) In general.—To be eligible to receive an
award under this part, an eligible entity shall submit
an application to the State educational agency at
such time, in such manner, and including such infor-
mation as the State educational agency may reason-
ably require, including the contents required by
paragraph (2).

“(2) Contents.—Each application submitted
under paragraph (1) shall include—

“(A) a description of the activities to be
funded and how they are consistent with sub-
section (b);

“(B) an assurance that funds under this
part will be used to increase the level of State,
local, and other non-Federal funds that would,
in the absence of funds under this part, be
made available for programs and activities au-
thorized under this part, and in no case sup-
plant Federal, State, local, or non-Federal

funds; and

“(C) an assurance that the community will
be given notice of an intent to submit an appli-
cation and that the application will be available
for public review after submission of the appli-
cation.

“(d) REVIEW.—In reviewing local applications under
this section, a State educational agency shall use a peer
review process or other methods of assuring the quality
of such applications but the review shall only judge the
likelihood of the project to increase student academic
achievement.

“(e) GEOGRAPHIC DIVERSITY.—A State educational
agency shall distribute funds under this part equitably
among geographic areas within the State, including rural,
suburban, and urban communities.

“(f) AWARD.—A grant shall be awarded to all eligible
entities that submit an application that meets the require-
ments of this section in an amount that is not less than
$10,000.
“(g) DURATION OF AWARDS.—Grants under this part may be awarded for a period of not less than 3 years and not more than 5 years.

“SEC. 3205. AWARDS TO NONGOVERNMENTAL ENTITIES TO IMPROVE ACADEMIC ACHIEVEMENT.

“(a) IN GENERAL.—From the amount reserved under section 3202(c)(2), a State educational agency shall award grants to public or private organizations, community-based organizations, and business entities for a program for elementary or secondary school students (or both) that will help improve academic achievement in compliance with the requirements in this section. Subject to the availability of funds, the State educational agency shall award a grant to each eligible applicant that meets the requirements in a sufficient size and scope to support the program.

“(b) APPLICATION.—The State educational agency shall require an application that includes the following information:

“(1) A description of the program the applicant will use the funds to support.

“(2) A description of how the applicant is using other State, local, or private funding to support the program.
“(3) A description of how the program will help increase student academic achievement, including the evidence to support this claim.

“(4) A description of the student population the program is targeting to impact, and if the program will prioritize students in high-need local educational agencies.

“(5) A description of how the applicant will conduct sufficient outreach to ensure students can participate in the program.

“(6) A description of any partnerships the applicant has entered into with the local educational agencies the applicant will work with, if applicable.

“(7) A description of how the applicant will work to share evidence-based and other effective strategies from the program with local educational agencies and other entities working with students to increase academic achievement.

“(c) MATCHING CONTRIBUTION.—An eligible applicant receiving a grant under this section shall provide, either directly or through private contributions, non-Federal matching funds equal to not less than 50 percent of the amount of the grant.

“(d) REVIEW.—The State educational agency shall review the application to ensure that—
“(1) the applicant is an eligible applicant;

“(2) the application clearly describes the required elements in subsection (b);

“(3) the entity meets the matching requirement described in subsection (c); and

“(4) the program is allowable and complies with Federal, State, and local laws.

“(e) DISTRIBUTION OF FUNDS.—If the application requests exceed the funds available, the State educational agency shall prioritize projects that support students in high-need local educational agencies and ensure geographic diversity, including serving rural, suburban, and urban areas.

“SEC. 3206. REPORT.

“Each recipient of a grant under section 3204 or 3205 shall report to the State educational agency on—

“(1) the success of the program in reaching the goals of the program;

“(2) a description of the students served by the program; and

“(3) the results of any evaluation conducted on the success of the program.

“SEC. 3207. DEFINITION OF ELIGIBLE ENTITY.

“In this part, the term ‘eligible entity’ means—
“(1) a local educational agency in partnership with a community-based organization, private sector business entity, or nongovernmental entity;

“(2) a community-based organization in partnership with a local educational agency and, if applicable, a private sector business entity or nongovernmental entity; or

“(3) a private sector business entity in partnership with a local educational agency and, if applicable, a community-based organization or nongovernmental entity.”.

**TITLE III—IMPACT AID**

SEC. 301. PURPOSE.

Section 8002 (20 U.S.C. 7701) is amended by striking “challenging State standards” and inserting “State academic standards”.

SEC. 302. PAYMENTS RELATING TO FEDERAL ACQUISITION OF REAL PROPERTY.

Section 8002 (20 U.S.C. 7702) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1), by striking “2003” and inserting “2018”; and

(B) by amending paragraph (1)(C) to read as follows:
“(C) had an assessed value according to original records (including facsimiles or other reproductions of those records) or other records that the Secretary determines to be appropriate and reliable, including Federal agency records or local historical records, aggregating 10 percent or more of the assessed value of—”;

(2) in subsection (b)—

(A) by amending paragraph (2) to read as follows:

“(2) Determination of estimated taxable value for eligible Federal property.—

“(A) In general.—Subject to subparagraph (B), in determining the estimated taxable value of eligible Federal property located within the boundaries of a local educational agency for fiscal year 2013 and each succeeding fiscal year, the Secretary shall carry out the following:

“(i) Determine the total taxable value of real property located within the boundaries of such local educational agency for the purpose of levying a property tax for current expenditures.
“(ii) Determine the per acre value of the eligible Federal property by dividing—

“(I) the total taxable value determined under clause (i), by

“(II) the difference between the total acres located within the boundaries of the local educational agency and the number of Federal acres in that agency eligible under this section.

“(iii) Multiply—

“(I) the per acre value calculated under clause (ii), by

“(II) the number of Federal acres in that agency eligible under this section.

“(B) SPECIAL RULE.—In a case in which a local educational agency shares eligible Federal property with 2 or more local educational agencies, the local educational agency may elect to have the Secretary—

“(i) calculate the per acre value of the eligible Federal property of each such local educational agency in accordance with sub-paragraph (A); and
“(ii) carry out the calculation under subparagraph (A)(iii) by multiplying—

“(I) the average of the per acre values of such eligible Federal properties, by

“(II) the acres of the Federal property in that agency eligible under this section.”; and

(B) by amending paragraph (3) to read as follows:

“(3) Application of current levied real property tax rate.—In calculating the amount that a local educational agency is eligible to receive for a fiscal year, the Secretary shall apply the current levied real property tax rate for current expenditures levied by fiscally independent local educational agencies, or imputed for fiscally dependent local educational agencies, to the current annually determined estimated taxable value of such acquired Federal property as calculated under paragraph (2).”;

(3) by repealing subsection (f);

(4) by amending subsection (g) to read as follows:

“(g) Former Districts.—
“(1) CONSOLIDATIONS.—For fiscal year 2006 and each succeeding fiscal year, if a local educational agency described in paragraph (2) is formed at any time after 1938 by the consolidation of two or more former school districts, the local educational agency may elect to have the Secretary determine its eligibility and any amount for which the local educational agency is eligible under this section for such fiscal year on the basis of one or more of those former districts, as designated by the local educational agency.

“(2) ELIGIBLE LOCAL EDUCATIONAL AGENCIES.—A local educational agency described in this paragraph is—

“(A) any local educational agency that, for fiscal year 1994 or any preceding fiscal year, applied for, and was determined to be eligible under section 2(c) of the Act of September 20, 1950 (Public Law 874, 81st Congress) as that section was in effect for that fiscal year; or

“(B) a local educational agency formed by the consolidation of 2 or more school districts, at least one of which was eligible for assistance under this section for the fiscal year preceding the year of the consolidation, if—
“(i) for fiscal years 2006 through 2012, the local educational agency notifies the Secretary not later than 30 days after the date of enactment of the Encouraging Innovation and Effective Teachers Act of the designation described in paragraph (1); and

“(ii) for fiscal year 2013, and each subsequent fiscal year, the local educational agency includes the designation in its application under section 8005 or any timely amendment to such application.

“(3) Availability of Funds.—Notwithstanding any other provision of law limiting the period during which the Secretary may obligate funds appropriated for any fiscal year after fiscal year 2005, the Secretary may obligate funds remaining after final payments have been made for any of such fiscal years to carry out this subsection.”;

(5) in subsection (h)—

(A) by striking “section 8014(a)” each place it appears and inserting “section 3(c)(1)”;

(B) by amending paragraph (1) to read as follows:

“(1) Foundation Payments.—
“(A) IN GENERAL.—From the amount appropriated under section 3(c)(1) for the fiscal year involved, the Secretary shall first make a payment to the following local educational agencies:

“(i) Each local educational agency that received a payment under this section for fiscal year 2006 and was eligible for a payment under this section for fiscal year 2006.

“(ii) Each local educational agency that did not receive a payment under this section for fiscal year 2006 but was newly eligible for a payment under this section after fiscal year 2006.

“(B) AMOUNT.—The amount of payment under subparagraph (A) for a local educational agency shall be determined as follows:

“(i) For a local educational agency described in subparagraph (A)(i) the amount of payment shall be equal to 90 percent of the amount received by such local educational agency under subsection (b) for fiscal year 2006.
“(ii) For a local educational agency described in subparagraph (A)(ii) the amount of payment shall be determined by—

“(I) calculating a payment estimate for fiscal year 2006 for such local educational agency under subsection (b) in the same manner as payments were determined for local educational agencies eligible for and receiving payments for fiscal year 2006 under such section; and

“(II) multiplying the amount determined under subclause (I) by 90 percent.

“(C) FOUNDATION PAYMENT.—The amount of payments calculated under clause (i) or (ii) of subparagraph (B) for a local educational agency shall be considered the local educational agency’s foundation payments for each succeeding fiscal year.

“(D) INSUFFICIENT APPROPRIATIONS.—If the amount appropriated under section 3(c)(1) is insufficient to pay the full amount determined under this paragraph for all eligible local
educational agencies for the fiscal year, then the Secretary shall ratably reduce the payment to each such local educational agency under this paragraph.”;

(C) by amending paragraph (2) to read as follows:

“(2) REMAINING FUNDS.—From any amounts remaining after making payments under paragraph (1) for the fiscal year involved, the Secretary shall—

“(A) sum the amounts determined for all eligible local educational agencies under subsection (b)(2);”

“(B) determine each eligible local educational agency’s proportional share of the amount calculated under subparagraph (A); and

“(C) pay each eligible local educational agency its share of the remaining funds based on the proportion calculated under subparagraph (B).”; and

(D) by striking paragraphs (3) and (4);

(6) by repealing subsections (i) and (k);

(7) by redesignating subsection (l) as subsection (i);
(8) by amending subsection (i) (as so redesignated) by striking “(h)(4)(B)” and inserting “(h)(2)”;
(9) by repealing subsection (m); and
(10) by redesignating subsection (n) as subsection (j).

SEC. 303. PAYMENTS FOR ELIGIBLE FEDERALLY CONNECTED CHILDREN.

(a) COMPUTATION OF PAYMENT.—Section 8003(a) (20 U.S.C. 7703(a)) is amended—

(1) in the matter preceding subparagraph (A) of paragraph (1), by inserting after “schools of such agency” the following: “(including those children enrolled in such agency as a result of the open enrollment policy of the State in which the agency is located, but not including children who are enrolled in a distance education program at such agency and who are not residing within the geographic boundaries of such agency)”;

(2) in paragraph (4)—

(A) in the heading, by striking “OR REBUILDING” and inserting “, REBUILDING, OR AUTHORIZED FOR DEMOLITION”;

(B) in subparagraph (A), by striking “or rebuilding” each place it appears and inserting...
“, rebuilding, or authorized for demolition by
the Secretary of Defense or the head of another
Federal agency”; and

(C) in subparagraph (B)—

(i) by striking “or rebuilding” each
place it appears and inserting “, rebuild-
ing, or authorized for demolition by the
Secretary of Defense or the head of an-
other Federal agency”; and

(ii) by striking “3 fiscal years” each
place it appears and inserting “4 fiscal
years (which are not required to run con-
secutively)”; and

(3) in paragraph (5)(A), by inserting after
“1984,” the following: “or under lease of off-base
property under subchapter IV of chapter 169 of title
10, United States Code,”.

(b) BASIC SUPPORT PAYMENTS FOR HEAVILY IM-
PACTED LOCAL EDUCATIONAL AGENCIES.—Section
8003(b) (20 U.S.C. 7703(b)) is amended—

(1) by striking “section 8014(b)” each place it
appears and inserting “section 3(c)(2)”; 

(2) in paragraph (1), by repealing subpara-
graph (E); 

(3) in paragraph (2)—
(A) in subparagraph (B)—

(i) by striking “CONTINUING” in the heading;

(ii) by amending clause (i) to read as follows:

“(i) IN GENERAL.—A heavily impacted local educational agency is eligible to receive a basic support payment under subparagraph (A) with respect to a number of children determined under subsection (a)(1) if the agency is 1 of the following local educational agencies:

“(I) A local educational agency whose boundaries are the same as a Federal military installation or an island property designed by the Secretary of the Interior to be property that is held in trust by the Federal Government and the agency has no taxing authority.

“(II) A local educational agency that has an enrollment of children described in subsection (a)(1) that constitutes a percentage of the total stu-
dent enrollment of the agency that is not less than 45 percent.

“(III) A local educational agency that has a per pupil expenditure that is less than—

“(aa) for a local educational agency that has a total student enrollment of 500 or more students, 125 percent of the average per-pupil expenditure of the State in which the agency is located; or

“(bb) for a local educational agency that has a total student enrollment less than 500, 150 percent of the average per pupil expenditure of the State in which the agency is located or the average per pupil expenditure of three or more comparable local educational agencies in the State in which the agency is located.

“(IV) A local educational agency that—
“(aa) has a tax rate for general fund purposes that is at least 95 percent of the average tax rate for general fund purposes of comparable local educational agencies in the State; or

“(bb) was eligible to receive a payment under this subsection for fiscal year 2012 and is located in a State that by State law has eliminated ad valorem tax as a revenue for local educational agencies.

“(V) A local educational agency that has an enrollment of children described in subsection (a)(1) that constitutes a percentage of the total student enrollment of the agency which is not less than 30 percent, and has a tax rate for general fund purposes which is not less than 125 percent of the average tax rate for general fund purposes for comparable local educational agencies in the State.
“(VI) A local educational agency that has a total student enrollment of not less than 25,000 students, of which not less than 50 percent are children described in subsection (a)(1) and not less than 5,500 of such children are children described in subparagraphs (A) and (B) of subsection (a)(1).

“(VII) A local educational agency that—

“(aa) has an enrollment of children described in subsection (a)(1) including, for purposes of determining eligibility, those children described in subparagraphs (F) and (G) of such subsection, that is not less than 35 percent of the total student enrollment of the agency; and

“(bb) was eligible to receive assistance under subparagraph (A) for fiscal year 2001.”; and

(iii) in clause (ii)—
(I) by striking “A heavily” and inserting the following: “(I) IN GENERAL.—Subject to subclause (II), a heavily”; and

(II) adding at the end the following:

“(II) LOSS OF ELIGIBILITY DUE TO FALLING BELOW 95 PERCENT OF THE AVERAGE TAX RATE FOR GENERAL FUND PURPOSES.—In a case of a heavily impacted local educational agency that fails to meet the requirements of clause (i) for a fiscal year by reason of having a tax rate for general fund purposes that falls below 95 percent of the average tax rate for general fund purposes of comparable local educational agencies in the State, subclause (I) shall be applied as if ‘and the subsequent fiscal year’ were inserted before the period at the end.”;

(B) by striking subparagraph (C);
(C) by redesignating subparagraphs (D) through (H) as subparagraphs (C) through (G), respectively;

(D) in subparagraph (C) (as so redesignated)—

(i) in the heading, by striking “REGULAR”;

(ii) by striking “Except as provided in subparagraph (E)” and inserting “Except as provided in subparagraph (D)”;

(iii) by amending subclause (I) of clause (ii) to read as follows:

“(ii)(I)(aa) For a local educational agency with respect to which 35 percent or more of the total student enrollment of the schools of the agency are children described in subparagraph (D) or (E) (or a combination thereof) of subsection (a)(1), and that has an enrollment of children described in subparagraphs (A), (B), or (C) of such subsection equal to at least 10 percent of the agency’s total enrollment, the Secretary shall calculate the weighted student units of those children described in subparagraph (D) or (E) of such sub-
section by multiplying the number of such children by a factor of 0.55.

“(bb) Notwithstanding subitem (aa), a local educational agency that received a payment under this paragraph for fiscal year 2006 shall not be required to have an enrollment of children described in subparagraphs (A), (B), or (C) of subsection (a)(1) equal to at least 10 percent of the agency’s total enrollment.”; and

(iv) by amending subclause (III) of clause (ii) by striking “(B)(i)(II)(aa)” and inserting “subparagraph (B)(i)(I)”;

(E) in subparagraph (D)(i)(II) (as so redesignated), by striking “6,000” and inserting “5,500”;

(F) in subparagraph (E) (as so redesignated)—

(i) by striking “Secretary” and all that follows through “shall use” and inserting “Secretary shall use”;

(ii) by striking “; and” and inserting a period; and

(iii) by striking clause (ii);
(G) in subparagraph (F) (as so redesignated), by striking “subparagraph (C)(i)(II)(bb)” and inserting “subparagraph (B)(i)(II)(bb)”;

(H) in subparagraph (G) (as so redesignated)—

(i) in clause (i)—

(I) by striking “subparagraph (B), (C), (D), or (E)” and inserting “subparagraph (B), (C), or (D)”;

(II) by striking “by reason of” and inserting “due to”;

(III) by inserting after “clause (iii)” the following “, or as the direct result of base realignment and closure or modularization as determined by the Secretary of Defense and force structure change or force relocation,”;

and

(IV) by inserting before the period, the following: “or during such time as activities associated with base closure and realignment, modularization, force structure
change, or force relocation are ongo-
ing”; and

(I) in clause (ii), by striking “(D) or (E)” each place it appears and inserting “(C) or (D)”; and

(4) in paragraph (3)—

(A) in subparagraph (B)—

(i) by striking clause (iii); and

(ii) by inserting after clause (ii) the following:

“(iii) In the case of a local educational agency that is providing a program of dis-
tance education to children not residing within the geographic boundaries of the agency, the Secretary shall—

“(I) for purposes of the calcula-
tion under clause (i)(I), disregard such children from the total number of children in average daily attend-
ance at the schools served by such agency; and

“(II) for purposes of the calcula-
tion under clause (i)(II), disregard any funds received for such children
from the total current expenditures
for such agency.”;

(B) in subparagraph (C), by striking “sub-
paragraph (D) or (E) of paragraph (2), as the
case may be” and inserting “paragraph
(2)(D)”; and

(C) by amending subparagraph (D) to read
as follows:

“(D) RATABLE DISTRIBUTION.—For any
fiscal year described in subparagraph (A) for
which the sums available exceed the amount re-
quired to pay each local educational agency 100
percent of its threshold payment, the Secretary
shall distribute the excess sums to each eligible
local educational agency that has not received
its full amount computed under paragraph (1)
or (2) (as the case may be) by multiplying—

“(i) a percentage, the denominator of
which is the difference between the full
amount computed under paragraph (1) or
(2) (as the case may be) for all local edu-
cational agencies and the amount of the
threshold payment (as calculated under
subparagraphs (B) and (C) of all local
educational agencies, and the numerator of
which is the aggregate of the excess sums, by;

“(ii) the difference between the full amount computed under paragraph (1) or (2) (as the case may be) for the agency and the amount of the threshold payment as calculated under subparagraphs (B) and (C) of the agency.”; and

(D) by inserting at the end the following new subparagraphs:

“(E) INSUFFICIENT PAYMENTS.—For each fiscal year described in subparagraph (A) for which the sums appropriated under section 3(c)(2) are insufficient to pay each local educational agency all of the local educational agency’s threshold payment described in subparagraph (D), the Secretary shall ratably reduce the payment to each local educational agency under this paragraph.

“(F) INCREASES.—If the sums appropriated under section 3(c)(2) are sufficient to increase the threshold payment above the 100 percent threshold payment described in subparagraph (D), then the Secretary shall increase payments on the same basis as such pay-
ments were reduced, except no local educational agency may receive a payment amount greater than 100 percent of the maximum payment calculated under this subsection.”; and

(5) by repealing paragraph (4).

(c) Prior Year Data.—Paragraph (2) of section 8003(c) (20 U.S.C. 7703(c)) is amended to read as follows:

“(2) Exception.—Calculation of payments for a local educational agency shall be based on data from the fiscal year for which the agency is making an application for payment if such agency—

“(A) is newly established by a State, for the first year of operation of such agency only;

“(B) was eligible to receive a payment under this section for the previous fiscal year and has had an overall increase in enrollment (as determined by the Secretary in consultation with the Secretary of Defense, the Secretary of Interior, or the heads of other Federal agencies)—

“(i) of not less than 10 percent, or 100 students, of children described in—

“(II) subparagraph (A), (B), (C), or (D) of subsection (a)(1); or
“(II) subparagraph (F) and (G) of subsection (a)(1), but only to the extent such children are civilian dependents of employees of the Department of Defense or the Department of Interior; and

“(ii) that is the direct result of closure or realignment of military installations under the base closure process or the relocation of members of the Armed Forces and civilian employees of the Department of Defense as part of the force structure changes or movements of units or personnel between military installations or because of actions initiated by the Secretary of the Interior or the head of another Federal agency; or

“(C) was eligible to receive a payment under this section for the previous fiscal year and has had an increase in enrollment (as determined by the Secretary)—

“(i) of not less than 10 percent of children described in subsection (a)(1) or not less than 100 of such children; and
“(ii) that is the direct result of the closure of a local educational agency that received a payment under subsection (b)(1) or (b)(2) in the previous fiscal year.”.

(d) CHILDREN WITH DISABILITIES.—Section 8003(d)(1) (20 U.S.C. 7703(d)) is amended by striking “section 8014(e)” and inserting “section 3(c)(3)”.

(e) HOLD-HARMLESS.—Section 8003(e) (20 U.S.C. 7703(e)) is amended—

(1) by amending paragraph (1) to read as follows:

“(1) IN GENERAL.—Subject to paragraph (2), the total amount the Secretary shall pay a local educational agency under subsection (b)—

“(A) for fiscal year 2013, shall not be less than 90 percent of the total amount that the local educational agency received under subsection (b)(1), (b)(2), or (b)(2)(B)(ii) for fiscal year 2012;

“(B) for fiscal year 2014, shall not be less than 85 percent of the total amount that the local educational agency received under subsection (b)(1), (b)(2), or (b)(2)(B)(ii) for fiscal year 2012; and
“(C) for fiscal year 2015, shall not be less than 80 percent of the total amount that the local educational agency received under subsection (b)(1), (b)(2), or (b)(2)(B)(ii) for fiscal year 2012.”; and

(2) by amending paragraph (2) to read as follows:

“(2) MAXIMUM AMOUNT.—The total amount provided to a local educational agency under subparagraph (A), (B), or C of paragraph (1) for a fiscal year shall not exceed the maximum basic support payment amount for such agency determined under paragraph (1) or (2) of subsection (b), as the case may be, for such fiscal year.”.

(f) MAINTENANCE OF EFFORT.—Section 8003 (20 U.S.C. 7703) is amended by striking subsection (g).

SEC. 304. POLICIES AND PROCEDURES RELATING TO CHILDREN RESIDING ON INDIAN LANDS.

Section 8004(e)(9) is amended by striking “Bureau of Indian Affairs” and inserting “Bureau of Indian Education”.

SEC. 305. APPLICATION FOR PAYMENTS UNDER SECTIONS 8002 AND 8003.

Section 8005(b) (20 U.S.C. 7705(b)) is amended in the matter preceding paragraph (1) by striking “and shall contain such information”.

SEC. 306. CONSTRUCTION.

Section 8007 (20 U.S.C. 7707) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking “section 8014(c)” and inserting “section 3(c)(4)”; (B) in paragraph (2), by adding at the end the following:

“(C) The agency is eligible under section 8003(b)(2) or is receiving basic support payments under circumstances described in section 8003(b)(2)(B)(ii).”; and

(C) in paragraph (3), by striking “section 8014(c)” each place it appears and inserting “section 3(c)(4)”; and

(2) in subsection (b)—

(A) in paragraph (1), by striking “section 8014(c)” and inserting “section 3(c)(4)”; and

(B) in paragraph (6)—

(i) in the matter preceding subpara-

graph (A), by striking “in such manner,
and accompanied by such information”
and inserting “and in such manner”; and
(ii) by striking subparagraph (F).

SEC. 307. FACILITIES.

Section 8008 (20 U.S.C. 7708) is amended in sub-
section (a), by striking “section 8014(f)” and inserting
“section 3(c)(5)”.

SEC. 308. STATE CONSIDERATION OF PAYMENTS PROVIDING STATE AID.

Section 8009(c)(1)(B) (20 U.S.C. 7709(c)(1)(B)) is
amended by striking “and contain the information”.

SEC. 309. FEDERAL ADMINISTRATION.

Section 8010 (20 U.S.C. 7710) is amended—
(1) in subsection (e), by striking “paragraph
(3)” each place it appears and inserting “paragraph
(2)”; and
(2) by adding at the end the following new sub-
section:
“(d) TIMELY PAYMENTS.—
“(1) IN GENERAL.—The Secretary shall pay the
full amount that a local educational agency is eligi-
ble to receive under this title not later than Sep-
tember 30 of the second fiscal year following the fis-
cal year for which such amount has been appro-
piated if, not later than 1 calendar year following
the fiscal year in which such amount has been appropriated, such local educational agency submits to the Secretary all the data and information necessary for the Secretary to pay the full amount that the agency is eligible to receive under this title for such fiscal year.

“(2) Payments with respect to fiscal years in which insufficient funds are appropriated.—For a fiscal year in which the amount appropriated under section 3(c) is insufficient to pay the full amount a local educational agency is eligible to receive under this title, paragraph (1) shall be applied by substituting ‘is available to pay the agency’ for ‘the agency is eligible to receive’ each place it appears.”.

**SEC. 310. ADMINISTRATIVE HEARINGS AND JUDICIAL REVIEW.**

Section 8011(a) (20 U.S.C. 7711(a)) is amended by striking “or under the Act” and all the follows through “1994”).

**SEC. 311. DEFINITIONS.**

Section 8013 is amended—

(1) in paragraph (1), by striking “and Marine Corps” and inserting “Marine Corps, and Coast Guard”;
(2) in paragraph (4), by striking “and title VI”;

(3) in paragraph (5)(A)(iii)—

(A) in subclause (II), by striking “Stewart
B. McKinney Homeless Assistance Act” and in-
serting “McKinney-Vento Homeless Assistance
Act (42 U.S.C. 114111 et seq.)”; and

(B) in subclause (III), by inserting before
the semicolon, “(26 U.S.C. 4101 et seq.)”;

(4) in paragraph (8)(A), by striking and
verified by and inserting “, and verified by,”; and

(5) in paragraph (9)(B), by inserting a comma
before “on a case-by-case basis”.

SEC. 312. AUTHORIZATION OF APPROPRIATIONS.

Section 8014 (20 U.S.C. 7801) is repealed.

SEC. 313. CONFORMING AMENDMENTS.

(a) REPEAL.—Title IV (20 U.S.C. 7101 et seq.) is
repealed.

(b) TRANSFER AND REDESIGNATION.—Title VIII (20
U.S.C. 7701 et seq.), as amended by this title, is trans-
ferred to and redesignated as title IV (20 U.S.C. 7101
et seq.).

(c) TITLE IV.—The heading relating to title IV of
such Act (20 U.S.C. 7101 et seq.) is amended to read as
follows:
“TITLE IV—IMPACT AID”.

(d) TITLE VIII REFERENCES.—The Act (20 U.S.C. 6301 et seq.) is amended—

(1) by redesignating sections 8001 through 8005 as sections 4001 through 4005, respectively;

(2) by redesignating sections 8007 through 8013 as sections 4007 through 4013, respectively;

(3) by striking “section 8002” each place it appears and inserting “section 4002”;

(4) by striking “section 8002(b)” each place it appears and inserting “section 4002(b)”;

(5) by striking “section 8003” each place it appears and inserting “section 4003”, respectively;

(6) by striking “section 8003(a)” each place it appears and inserting “section 4003(a)”;

(7) by striking “section 8003(a)(1)” each place it appears and inserting “section 4003(a)(1)”;

(8) by striking “section 8003(a)(1)(C)” each place it appears and inserting “section 4003(a)(1)(C)”;

(9) by striking “section 8002(a)(2)” each place it appears and inserting “section 4002(a)(2)”;

(10) by striking “section 8003(b)” each place it appears and inserting “section 4003(b)”;
(11) by striking “section 8003(b)(1)” each place it appears and inserting “section 4003(b)(1)”;

(12) in section 4002(b)(1)(C), by striking “section 8003(b)(1)(C)” and inserting “section 4003(b)(1)(C)”;

(13) in section 4002(n)(1) (as so redesignated), by striking “section 8013(5)(C)(iii)” and inserting “section 4013(5)(C)(iii)”;

(14) in section 4005(b)(2) (as so redesignated)—

(A) by striking “or 8003” each place it appears and inserting “or 4003”; and

(B) in subsection (b)(2), by striking “section 8004” and inserting “section 4004”; and

(C) in subsection (d)(2), by striking “section 8003(e)” and inserting “section 4003(e)”;

(15) in section 4007(a)(3)(A)(i) (as so redesignated), by striking “section 8008(a)” and inserting “section 4008(a)”;

(16) in section 4007(a)(4) (as so redesignated), by striking “section 8013(3)” and inserting “section 4013(3)”;

(17) in section 4009 (as so redesignated)—

(A) in subsection (b)(1)—
(i) by striking “or 8003(b)” and inserting “or 4003(b)”; 
(ii) by striking “section 8003(a)(2)(B)” and inserting “section 4003(a)(2)(B)”;
(iii) by striking “section 8003(b)(2)” and inserting “section 4003(b)(2)”;
(B) by striking “section 8011(a)” each place it appears and inserting “section 4011(a)”;
(18) in section 8010(c)(2)(D) (as so redesignated) by striking “section 8009(b)” and inserting “section 4009(b)”.
(e) REPEAL.—Title VIII of the Elementary and Secondary Education Act of 1965 is repealed.

TITLE IV—TROOPS-TO-TEACHERS PROGRAM

SEC. 401. TROOPS-TO-TEACHERS PROGRAM.

(a) TRANSFER OF FUNCTIONS.—The responsibility and authority for operation and administration of the Troops-to-Teachers Program is transferred from the Secretary of Education to the Secretary of Defense.

(b) ENACTMENT AND MODIFICATION OF PROGRAM AUTHORITY IN TITLE 10, UNITED STATES CODE.—
IN GENERAL.—Chapter 58 of title 10, United States Code, is amended by adding at the end the following new section:

“SEC. 1154. ASSISTANCE TO ELIGIBLE MEMBERS TO OBTAIN EMPLOYMENT AS TEACHERS: TROOPS-TO-TEACHERS PROGRAM.

“(a) DEFINITIONS.—In this section:

“(1) PROGRAM.—The term ‘Program’ means the Troops-to-Teachers Program authorized by this section.

“(2) CHARTER SCHOOL.—The term ‘charter school’ has the meaning given that term in section 5101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7221i).


“(b) PROGRAM AUTHORIZATION.—The Secretary of Defense may carry out a program (to be known as the ‘Troops-to-Teachers Program’)—

“(1) to assist eligible members of the armed forces described in subsection (c) to obtain certification or licensing as elementary school teachers,
secondary school teachers, or career or technical teachers; and

“(2) to facilitate the employment of such members—

“(A) by local educational agencies or public charter schools that the Secretary of Education identifies as—

“(i) receiving grants under subpart 1 of part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311 et seq.) as a result of having within their jurisdictions concentrations of children from low-income families;

“(ii) experiencing a shortage of effective teachers, in particular a shortage of science, mathematics, special education, or career or technical teachers; or

“(iii) a Bureau-funded school (as such term is defined in section 1141 of the Education Amendments of 1978 (25 U.S.C. 2021)); and

“(B) in elementary schools or secondary schools, or as career or technical teachers.

“(c) ELIGIBILITY AND APPLICATION PROCESS.—
“(1) ELIGIBLE MEMBERS.—The following members of the armed forces are eligible for selection to participate in the Program:

“(A) Any member who—

“(i) on or after the date of the enactment of the National Defense Authorization Act for Fiscal Year 2011, becomes entitled to retired or retainer pay under this title or title 14;

“(ii) has an approved date of retirement that is within one year after the date on which the member submits an application to participate in the Program; or

“(iii) transfers to the Retired Reserve.

“(B) Any member who, on or after the date of the enactment of the National Defense Authorization Act for Fiscal Year 2011—

“(i)(I) is separated or released from active duty after 4 or more years of continuous active duty immediately before the separation or release; or

“(II) has completed a total of at least ten years of active duty service,

10 years of service computed under section 12732 of this title, or 10 years
of any combination of such service;

and

“(ii) executes a reserve commitment agreement for a period of not less than 3 years under paragraph (5)(B).

“(C) Any member who, on or after the date of the enactment of the National Defense Authorization Act for Fiscal Year 2011, is retired or separated for physical disability under chapter 61 of this title.

“(2) SUBMITTAL OF APPLICATIONS.—(A) Selection of eligible members of the armed forces to participate in the Program shall be made on the basis of applications submitted to the Secretary. An application shall be in such form as the Secretary may require.

“(B) An application may be considered to be submitted on a timely basis under subparagraph (A)(i), (B), or (C) of paragraph (1) if the application is submitted not later than 2 years after the date on which the member is retired or separated or released from active duty, whichever applies to the member.

“(3) SELECTION CRITERIA; EDUCATIONAL BACKGROUND REQUIREMENTS AND HONORABLE
SERVICE REQUIREMENT.—(A) Subject to subparagraph (B), the Secretary shall prescribe the criteria to be used to select eligible members of the armed forces to participate in the Program.

“(B) A member of the armed forces is eligible to participate in the Program only if the member’s last period of service in the armed forces was honorable, as characterized by the Secretary concerned. A member selected to participate in the Program before the retirement of the member or the separation or release of the member from active duty may continue to participate in the Program after the retirement, separation, or release only if the member’s last period of service is characterized as honorable by the Secretary concerned.

“(4) SELECTION PRIORITIES.—In selecting eligible members of the armed forces to receive assistance under the Program, the Secretary shall give priority to members who—

“(A) have educational or military experience in science, mathematics, special education, or career and technical subjects; and

“(B) agree to seek employment as science, mathematics, or special education teachers in
elementary schools or secondary schools or in other schools under the jurisdiction of a local educational agency.

“(5) Other Conditions on Selection.—(A) The Secretary may not select an eligible member of the armed forces to participate in the Program and receive financial assistance unless the Secretary has sufficient appropriations for the Program available at the time of the selection to satisfy the obligations to be incurred by the United States under subsection (d) with respect to the member.

“(B) The Secretary may not select an eligible member of the armed forces described in paragraph (1)(B)(i) to participate in the Program under this section and receive financial assistance under subsection (d) unless the member executes a written agreement to serve as a member of the Selected Reserve of a reserve component of the armed forces for a period of not less than 3 years (in addition to any other reserve commitment the member may have).

“(d) Participation Agreement and Financial Assistance.—

“(1) Participation Agreement.—(A) An eligible member of the armed forces selected to partici-
dicate in the Program under subsection (c) and receive financial assistance under this subsection shall be required to enter into an agreement with the Secretary in which the member agrees—

“(i) within such time as the Secretary may require, to obtain certification or licensing as an elementary school teacher, secondary school teacher, or career and technical teacher; and

“(ii) to accept an offer of full-time employment as an elementary school teacher, secondary school teacher, or career and technical teacher for not less than three school years with a local educational agency receiving grants under subpart 1 of part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311 et seq.), a Bureau-funded school (as such term is defined in section 1141 of the Education Amendments of 1978 (25 U.S.C. 11 2021)), or a public charter school.

“(B) The Secretary may waive the three-year commitment described in subparagraph (A)(ii) for a participant if the Secretary deter-
mines the waiver to be appropriate. If the Secretary provides the waiver, the participant shall not be considered to be in violation of the agreement and shall not be required to provide reimbursement under subsection (e), for failure to meet the three-year commitment.

“(2) VIOLATION OF PARTICIPATION AGREEMENT; EXCEPTIONS.—A participant in the Program shall not be considered to be in violation of the participation agreement entered into under paragraph (1) during any period in which the participant—

“(A) is pursuing a full-time course of study related to the field of teaching at an institution of higher education;

“(B) is serving on active duty as a member of the armed forces;

“(C) is temporarily totally disabled for a period of time not to exceed 3 years as established by sworn affidavit of a qualified physician;

“(D) is unable to secure employment for a period not to exceed 12 months by reason of the care required by a spouse who is disabled;

“(E) is an effective teacher who is seeking and unable to find full-time employment as a
teacher in an elementary school or secondary school or as a career and technical teacher for a single period not to exceed 27 months; or

“(F) satisfies such other criteria as may be prescribed by the Secretary.

“(3) STIPEND FOR PARTICIPANTS.—(A) Subject to subparagraph (B), the Secretary may pay to a participant in the Program selected under this section a stipend in an amount of not more than $5,000.

“(B) The total number of stipends that may be paid under subparagraph (A) in any fiscal year may not exceed 5,000.

“(4) BONUS FOR PARTICIPANTS.—(A) Subject to subparagraph (B), the Secretary may, in lieu of paying a stipend under paragraph (3), pay a bonus of $10,000 to a participant in the Program selected under this section who agrees in the participation agreement under paragraph (1) to accept full-time employment as an elementary school teacher, secondary school teacher, or career and technical teacher for not less than 3 school years in a high-need school.
“(B) The total number of bonuses that may be paid under subparagraph (A) in any fiscal year may not exceed 3,000.

“(C) For purposes of subparagraph (A), the term ‘high-need school’ means a public elementary school, public secondary school, or public charter school that meets one or more of the following criteria:

“(i) At least 50 percent of the students enrolled in the school were from low-income families (as described in subsection (b)(2)(A)(i)).

“(ii) The school has a large percentage of students who qualify for assistance under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.).

“(5) Treatment of stipend and bonus.—A stipend or bonus paid under this subsection to a participant in the Program shall be taken into account in determining the eligibility of the participant for Federal student financial assistance provided under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.).
“(e) Reimbursement under certain circumstances.—

“(1) Reimbursement required.—A participant in the Program who is paid a stipend or bonus under subsection (d) shall be required to repay the stipend or bonus under the following circumstances:

“(A) The participant fails to obtain teacher certification or licensing or to obtain employment as an elementary school teacher, secondary school teacher, or career and technical teacher as required by the participation agreement under subsection (d)(1).

“(B) The participant voluntarily leaves, or is terminated for cause from, employment as an elementary school teacher, secondary school teacher, or career and technical teacher during the 3 years of required service in violation of the participation agreement.

“(C) The participant executed a written agreement with the Secretary concerned under subsection (c)(5)(B) to serve as a member of a reserve component of the armed forces for a period of 3 years and fails to complete the required term of service.
“(2) AMOUNT OF REIMBURSEMENT.—A participant required to reimburse the Secretary for a stipend or bonus paid to the participant under subsection (d) shall pay an amount that bears the same ratio to the amount of the stipend or bonus as the unserved portion of required service bears to the three years of required service. Any amount owed by the participant shall bear interest at the rate equal to the highest rate being paid by the United States on the day on which the reimbursement is determined to be due for securities having maturities of 90 days or less and shall accrue from the day on which the participant is first notified of the amount due.

“(3) TREATMENT OF OBLIGATION.—The obligation to reimburse the Secretary under this subsection is, for all purposes, a debt owing the United States. A discharge in bankruptcy under title 11 shall not release a participant from the obligation to reimburse the Secretary under this subsection.

“(4) EXCEPTIONS TO REIMBURSEMENT REQUIREMENT.—A participant shall be excused from reimbursement under this subsection if the participant becomes permanently totally disabled as established by sworn affidavit of a qualified physician.
The Secretary may also waive the reimbursement in cases of extreme hardship to the participant, as determined by the Secretary.

“(f) Relationship to Educational Assistance Under Montgomery GI Bill.—The receipt by a participant in the Program of a stipend or bonus under this subsection (d) shall not reduce or otherwise affect the entitlement of the participant to any benefits under chapter 30 or 33 of title 38 or chapter 1606 of this title.

“(g) Participation by States.—

“(1) Discharge of state activities through consortia of states.—The Secretary may permit States participating in the Program to carry out activities authorized for such States under the Program through one or more consortia of such States.

“(2) Assistance to states.—(A) Subject to subparagraph (B), the Secretary may make grants to States participating in the Program, or to consortia of such States, in order to permit such States or consortia of States to operate offices for purposes of recruiting eligible members of the armed forces for participation in the Program and facilitating the employment of participants in the Program as ele-
mentary school teachers, secondary school teachers, and career and technical teachers.

“(B) The total amount of grants made under subparagraph (A) in any fiscal year may not exceed $5,000,000.”.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 58 of such title is amended by adding at the end the following new item:

“1154. Assistance to eligible members to obtain employment as teachers: Troops-to-Teachers Program”.

(3) CONFORMING AMENDMENT.—Section 1142(b) (4)(C) of such title is amended by striking “under sections 1152 and 1153 of this title and the Troops-to-Teachers Program under section 2302 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6672)” and inserting “under sections 1152, 1153, and 1154 of this title”.

TITLE V—REPEAL

SEC. 501. REPEAL OF TITLE VI.

The Act is amended by striking title VI (20 U.S.C. 7301 et seq.).